

## SECOND PARTY OPINION<sup>1</sup>

### ON THE SUSTAINABILITY CREDENTIALS OF CAISSE DES DÉPÔTS ET CONSIGNATIONS' GREEN, SOCIAL & SUSTAINABLE BOND FRAMEWORK

May 10<sup>th</sup> 2019

#### SCOPE

Vigeo Eiris was commissioned to provide an independent opinion (hereafter "Second Party Opinion" or "SPO") on the sustainability credentials and management of the Green, Social & Sustainable Bond Framework forwarded to Vigeo Eiris (the "Framework") created by Caisse des Dépôts et Consignations (the "Issuer" or "CDC") to govern all potential Green, Social and Sustainable bonds to be issued under the Framework (the "Bonds").

Our opinion is established according to Vigeo Eiris' Environmental, Social and Governance ("ESG") exclusive assessment methodology for the assessment of social responsibility performance and risks (Environmental, Social and Governance, "ESG") and to the International Capital Market Association's Green Bond Principles ("GBP") and Social Bond Principles ("SBP") voluntary guidelines (referred to as the "Principles"), both edited in June 2018.

Our opinion is built on the review of the following components:

- 1) **Issuer:** assessment of the Issuer's ESG performance as evaluated in September 2017 -, its management of potential stakeholders-related ESG controversies and its involvement in controversial activities<sup>2</sup>.
- 2) **Issuance:** assessment of the Framework, including the coherence between the Framework and the Issuer's environmental commitments, its potential contribution to sustainability and its alignment with the four core components of the GBP and SBP 2018.

Our sources of information are multichannel, combining data from (i) public information gathered from public sources, press content providers and stakeholders, (ii) information from Vigeo Eiris exclusive ESG rating database, and (iii) information provided by the Issuer through documents and interviews conducted with Issuer's managers and stakeholders involved in the Green Social or Sustainable Bonds issuance, held via a telecommunications system.

We carried out our *due diligence* assessment from March 2019 to May 2019. We consider that we were provided with access to all the appropriate documents and interviewees we solicited. We consider that the information made available enables us to establish our opinion with a reasonable level of assurance on its completeness, precision and reliability.

#### VIGEO IRIS' OPINION

**Vigeo Eiris is of the opinion that the Green, Social & Sustainable Bond Framework of Caisse des Dépôts et Consignations is aligned with the four core components of the Green and Social Bond Principles 2018.**

**We express a reasonable assurance<sup>3</sup> (our highest level of assurance) on the Issuer's commitments and on the contribution of the contemplated Bonds to sustainability.**

##### 1) Issuer

- ▶ As of September 2017, Caisse des Dépôts et Consignations displays an overall advanced ESG performance, ranking 1<sup>st</sup> within our "Specific Purpose Banks & Agencies" sector which covers 15 companies. The Issuer's managerial performance appears advanced in all three pillars: Environment Social and Governance. Our assurance that the Issuer's risk factors are adequately managed is reasonable, including reputational, human capital, legal and operational risks.
- ▶ As of May 7<sup>th</sup> 2019, Caisse des Dépôts et Consignations is involved in 1 isolated controversy related to internal control and risk management. The severity of its impact on both the institution and its stakeholders is considered weak. The Issuer is considered remediative. The Issuer is not involved in any of the 15 controversial activities screened under Vigeo Eiris' methodology.

<sup>1</sup> This opinion is to be considered as the "Second Party Opinion" described in the voluntary guidelines (June 2018 Edition) edited by the International Capital Market Association ([www.icmagroup.org](http://www.icmagroup.org))

<sup>2</sup> The 15 controversial activities analysed by Vigeo Eiris are: Alcohol, Animal welfare, Chemicals of concern, Civilian firearms, Fossil Fuels industry, Coal, Tar sands and oil shale, Gambling, Genetic engineering, High interest rate lending, Military, Nuclear power, Pornography, Reproductive medicine, and Tobacco.

<sup>3</sup> Definition of Vigeo Eiris' scales of assessment (as detailed in the Methodology section).

## 2) Issuance

Caisse des Dépôts et Consignations has described the main characteristics of the Bonds within a formalized Green, Social & Sustainable Bond Framework (dated 10<sup>th</sup> of May 2019) and committed to make this document publicly accessible on its website<sup>4</sup> before the Bonds' issuance date, in line with good market practices.

We are of the opinion that the Framework is coherent with Caisse des Dépôts et Consignations' main sector sustainability issues, with its strategic sustainable development priorities, and that it contributes to achieve its sustainable development commitments and targets.

### Use of Proceeds

- ▶ The net proceeds of the Bonds will exclusively finance or refinance, in full or in part, projects falling under four Eligible Green Projects ("Eligible Projects"), four Eligible Social Projects ("Eligible Projects") and one Eligible Green and Social Projects, namely: Green energy and heat production and storage infrastructure, Green real estate, Decontamination and Remediation of sites, Sustainable transportation and mobility, Digital infrastructures, Education and professional insertion, Social Solidarity Economy, Social real estate and Healthcare and social healthcare. We consider that the categories of Eligible Projects are clearly defined.

Eligible Projects are intended to contribute to three main environmental objectives (climate change mitigation, pollution prevention and control, improvement of air quality) and to six main social objectives (access to information, access to education and employment, access to health and essential services, access to public transportation, socio-economic development of territories and access to housing). These objectives are formalized in the Framework and considered clearly defined and relevant.

The target populations that will benefit from the five categories of Eligible Social Projects have been clearly defined, namely: people with socio-professional integration difficulties, without training or professional experiences, long term unemployed, residents, local companies, public services of digital deserts, Social Solidarity Economy (SSE), person living without adequate housing, household in position of insecurity and exclusion, people from peri-urban/rural areas considered medical deserts and elderly people.

Eligible Projects are considered to provide clear and relevant environmental and/or social benefits. The Issuer has committed to publicly communicate to investors on the benefits of each bond issuance, once the proceeds are allocated and at the latest during the annual reporting exercise. An area for improvement is defining precise ex-ante quantified environmental or social targets for each Bond and for each Eligible Category.

Eligible Projects are likely to contribute to ten United Nations' Sustainable Development Goals, namely: SDG 1. No poverty, SDG 3. Good Health and Well-being, SDG 4. Quality Education, SDG 7. Affordable and Clean energy, SDG 8. Decent work and economic growth, SDG 9. Industry, Innovation and Infrastructure, SDG 10. Reduced inequalities, SDG 11. Sustainable Cities and Communities, SDG 13. Climate Action and SDG 15. Life on Land.

In case of refinancing, the Issuer has committed to respect a look-back period of maximum 24 months from the Bonds' issuance date, in line with good market practices. Upstream of each new green, social or sustainable bond issuance, the presentation made for investors will indicate the indicative refinancing share.

### Process for Project Evaluation and Selection

- ▶ The governance and the process for the evaluation and selection of the Eligible Projects are formalized in the Framework. We consider that the process is reasonably structured, transparent and relevant.

The process relies on explicit and relevant eligibility criteria (selection and exclusion).

The identification and management of the environmental and social risks associated to the Eligible Projects are considered to be overall good. Moreover, the implementation of new ESG scoring grid aims to formalize and strengthen the identification and the management of these risks.

### Management of Proceeds

- ▶ The rules for the management of proceeds are clearly defined. We consider that these rules would enable a documented and transparent allocation process.

<sup>4</sup> [www.caissedesdepots.fr](http://www.caissedesdepots.fr)

**Reporting**

- ▶ The reporting process and commitments are considered to be good, covering both the funds allocation and the expected environmental and social benefits of the Eligible Projects. The Issuer has undertaken an advisory mission with an external expert to identify and develop ESG indicators to report on the environmental and social impacts related to Eligible Projects one year after the issue of the Bonds.

Caisse des Dépôts et Consignations' issuances are and will be supported by external reviews:

- A pre-issuance consultant review: the hereby Second Party Opinion ("SPO") delivered by Vigeo Eiris, covering all the features of the Bonds, based on pre-issuance assessment and commitments, to be made publicly available by the Issuer on its website<sup>5</sup>, at the date of issuance.
- An annual verification: an annual audit of the Bonds issued, performed by an independent audit firm, covering the allocation of funds, the conformity of all significant aspects of the effective allocation of funds to the Eligible Project Categories, and their alignment with the eligibility criteria, until the full allocation of the Bond and in the event of a significant change.

*The Second Party Opinion is based on the review of the Framework (dated 10th of May 2019) according to the GBP & SBP voluntary guidelines (June 2018)*

Paris, May 10<sup>th</sup> 2019

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## DETAILED RESULTS

### Part I. ISSUER

Caisse des Dépôts et Consignations is a long-term investor serving the public interest and economic development of France. The institution operates in four different business sectors: banking services, savings funds, pension and solidarity sector and regional development.

#### Level of ESG performance

In September 2017 (date of the last assessment of the issuer's ESG profile by Vigeo Eiris), Caisse des Dépôts et Consignations demonstrates an advanced performance on all three ESG pillars: Environment, Social and Corporate Governance .

Domain	Comments	Performance Level
Environment	CDC's performance in the Environment pillar is advanced.	Advanced
	The Issuer displays a solid environmental strategy covering both its direct and indirect impacts and has formalized its commitments in favour of the protection of the environment with, among others, the integration of environmental issues in the supply chain and in investment strategies, the measure and reduction of its portfolios' carbon risk and of the direct environmental impact through its internal program "Ecotidien". Regarding the commitment to reduce its CO2 emissions, CDC has adopted a Plan Patrimonial Environnemental (PPE) which aims at reducing the energy consumption of its operating buildings by 38% over the 2013-2020 period. Moreover, the company has formalized sectorial policies and commitments in favor of a low-carbon economy which cover various sectors, namely: fossil fuel, housing/real estate, transportation infrastructures and forestry. Within its Strategy department, CDC has created an <i>Innovation and Sustainable Development</i> service in charge of proposing and implementing sustainable development policies for the Group. Moreover, CDC has formalized a Climate Financy Policy. The Issuer has notably published a restriction policy regarding the financing of assets exposed to thermal coal. CDC is also a member/signatory of initiatives in favour of climate such as the Carbon Disclosure Project, the Montréal Carbon Pledge and the Portfolio Decarbonisation Coalition.	Good
		Limited
		Weak
Social	CDC's performance in the Social Pillar is advanced.	Advanced
	The Issuer has formalized in its Responsible Investment Charter its commitment to respect and promote Human Rights within society. It commits to support international conventions, prevent complicity in violation of Human Rights and integrate these issues into the projects' decision processes. CDC has also formalized its commitment for non-discrimination and promotes diversity in its "Social Declaration" with quantified objectives in favour of youth and people with disabilities, and the signature of collective conventions to answer gender equality and disability issues.	Good
	Commitments have been formalized regarding Human Resources with the promotion of a proactive social dialogue within the Group, supported by the presence and consultation of employee representatives during the Board meetings. Moreover, a new agreement aiming at promoting quality of life at work was jointly signed with trade unions and substantiate CDC's commitment in favour of a "better living together and better working together".	Limited
	Regarding trainings and career management, all the employees benefit of an annual interview and measures are implemented to support older workers, notably for a better transition towards retirement.	Weak
	The commitment in favour of socio-economic development is historically rooted in CDC's public interest mission and is implemented through measures such as partnerships with the state, local collectivities, civil society etc.	
	Finally, CDC has implemented relevant mesures in order to guarantee responsible and fair relations with its clients, notably through the presence of a mediator enabling to manage complaints.	

Governance	CDC's performance in the Governance pillar is advanced.	Advanced
	The Issuer has formalized a corporate governance framework which covers the Governance pillar's main issues such as the organization and the functioning of the Surveillance Committee (internal regulations put in place), the definition of the risk profile of the company (risk mapping and management), executive remuneration policy and integration of stakeholders' perspectives/interests. Regarding the internal control system, it covers the standard issues related to financial, operational and legal risks. It also covers major ESG risks inherent to the Issuer's commercial operations: business ethics risks, social and environmental risks related to its lending activities, and the impacts of the financed projects on local communities. The topic of corporate governance is also addressed in the Responsible Investment Charter of CDC Group as well as in the voting policy.	Good
	The Audit Committee (Accounts and Risks Review Committee, committee related to CDC's Surveillance Committee), whose composition is disclosed in the annual report's supplement, is in charge of monitoring of internal controls and risks as well as compliance with the accounting standards and prudential ratios of CDC; the audit annual program and the follow-up of the recommendations; the implementation of the recommendations of the Cour des Comptes; the methods of intervention of the ACPR as well as the reports relating to the banking and financial activities of CDC and compliance with the anti-money laundering system.	Limited
	The Issuer has also formalized an engagement against corruption and money laundering, supported by training programs and the implementation of indicators related to potentially suspicious activities. Regarding lobbying, an internal committee dedicated to monitoring and budget control has been put in place.	Weak

### **Management of stakeholder-related ESG controversies**

As of May 7<sup>th</sup> 2019, Caisse des Dépôts et Consignations is involved in one stakeholder-related ESG controversies, linked to one of the six domains we analyse:

- Corporate Governance, in the criteria of "Internal control & risk management".

**Frequency:** The frequency of the controversy is considered isolated, in line with the sector average.

**Severity:** The severity of the controversy is considered weak, in line with the sector average.

**Responsiveness:** The issuer is considered remediative, in line with the sector average.

**Nota Bene :** The Savings Fund managed by CDC, on behalf of the French State, was the subject of an isolated environmental controversy on the criterion "Climate change: indirect impacts". This controversy is considered high and the Savings Fund has implemented corrective measures.

The controversy identified does not fall within the scope of this Second Opinion, the Savings Fund involved being separate from CDC - General Section, issuer of Green, Social and Sustainable Bonds. The interventions of CDC, as part of its investments for its own account, are not, as of today, the subject of any environmental controversy.

### **Involvement in controversial activities**

La Caisse des Dépôts et Consignations is not involved in any of the 15 controversial activities screened under our methodology, namely: Alcohol, Animal welfare, Chemicals of concern, Civilian firearms, Fossil Fuels industry, Coal, Tar sands and oil shale, Gambling, Genetic engineering, High interest rate lending, Military, Nuclear Power, Pornography, and Reproductive Medicine and Tobacco.

The controversial activities research provides screening on companies to identify involvement in business activities that are subject to philosophical or moral beliefs. The information does not suggest any approval or disapproval on their content from Vigeo Eiris.

## Part II. ISSUANCE

### Coherence of the issuance

Context : The UN 2030 agenda 2030 for sustainable development and its 17 SDGs, including the objectives of the Paris Agreement, have an estimated at between USD5 trillion and USD7 trillion by the United Nations Conference on Trade and Development (UNCTAD), which call for an innovative and ambitious financing strategy to mobilize the necessary funds. In France, the investment needs associated with this transition to carbon neutrality by 2050 are estimated at nearly EUR60 billion per year. Public financial institutions can now play a key role in changing policies and promoting national and international objectives through the financing of companies and projects dedicated to energy transition or social inclusion and territorial development.

By integrating environmental and social risks into the assessment of loans and future investments and project financing, as well as into their investment products, financial institutions can influence customer behaviour towards more environmentally friendly and climate-friendly activities and products, with a high social impact.

**We are of the opinion that the contemplated Bonds are coherent with CDC's strategic sustainability priorities and sector issues, and contribute to achieving the Issuer's sustainability commitments.**

CDC seems to recognize its role in finding solutions to support society towards a low-carbon and sustainable economy:

- The Issuer has formalised its commitment towards the fight against climate change, reaffirmed at the Paris Agreement, through its new Climate Policy, which aims to provide "a long-term roadmap to ensure the convergence of all its financial activities with the objectives of this agreement. ». This Group Policy is divided into 5 pillars of action and provides quantified objectives for each of them:
  - Financing the ecological and energy transition: CDC (jointly with Bpifrance) aims to dedicate EUR 16 billion to financing the transition between 2018 and 2020.
  - Decarbonising portfolios: CDC has set the objective of reducing the carbon footprint of listed equity and direct-held corporate bond portfolios by 20% over the 2014-2020 period.
  - Monitor financing in sectors exposed to thermal coal. As of 2019, CDC commits not to invest directly in listed shares and debt securities of companies whose coal extraction or thermal coal-fired power generation activity exceeds 10% of sales and, for unlisted asset funds, to exclude from their new investments funds that include assets or companies whose coal extraction or thermal coal power generation activity exceeds 10% of sales.
  - Strengthening shareholders' commitment to climate change: CDC has brought climate issues to the companies it finances, particularly through its shareholder commitment and voting policy.
  - Identifying and managing climate risks: CDC has strengthened the integration of environmental risks in its assessment of project finance counterparty risks and the monitoring of its investment products and plans to introduce an ambitious mechanism for rating non-financial and climate risks in the near future.

In addition, in 2012, CDC implemented a Responsible Investment Charter and is committed to financing regional development, the Social Solidarity Economy sector (ESS in French) or integration through the financing of projects with high social impacts. Within CDC, the various business lines have been trained on these social issues.

By creating a Framework Document to issue Green, Social and sustainability Bonds to finance or refinance, in whole or in part, projects related to renewable energy, low-carbon buildings, energy transition, sustainable mobility, soil remediation, affordable housing, access to essential services (digital infrastructure, training organisations or medical institutes) and ESS sector initiatives the Issuer coherently aligns with its sustainability strategy and commitments, and addresses the main issues of the sector in terms of environmental and social responsibility.

### Use of proceeds

The net proceeds of the Bonds will exclusively finance or refinance, in full or in part, projects falling under four Eligible Green Projects (“Eligible Projects”), four Eligible Social Projects (“Eligible Projects”) and one Eligible Green and Social Projects, namely: Green energy and heat production and storage infrastructure, Green real estate, Decontamination and Remediation of sites, Sustainable transportation and mobility, Digital infrastructures, Education and professional insertion, Social Solidarity Economy, Social real estate, and Healthcare and social healthcare. We consider that the categories of Eligible Projects are clearly defined.

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Eligible Projects are considered to provide clear and relevant environmental and/or social benefits. The Issuer has committed to publicly communicate to investors on the benefits of each bond issuance, once the proceeds are allocated and at the latest during the annual reporting exercise. An area for improvement is defining ex-ante precise quantified environmental or social targets for each Bond and for each Eligible Category.

Eligible Projects are likely to contribute to ten United Nations’ Sustainable Development Goals, namely: SDG 1. No poverty, SDG 3. Good Health and Well-being, SDG 4. Quality Education, SDG 7. Affordable and Clean energy, SDG 8. Decent work and economic growth, SDG 9. Industry, Innovation and Infrastructure, SDG 10. Reduced inequalities, SDG 11. Sustainable Cities and Communities, SDG 13. Climate Action and SDG 15. Life on Land.

In case of refinancing, the Issuer has committed to respect a look-back period of maximum 24 months from the Bonds’ issuance date, in line with good market practices. Upstream of each new green, social or sustainable bond issuance, the presentation made for investors will indicate the indicative refinancing share.

The main characteristics of the Eligible Projects, as well as their expected environmental and social benefits, are summarized in the following table :

Caisse des Dépôts et Consignations Framework				Vigeo Eiris Analysis
Eligible Categories	Sub-categories and definitions	Eligibility Criteria	Environmental and social objectives and benefits	
<b>Green energy and heat production and storage infrastructure</b>	<b>Renewable electricity generation</b> <ul style="list-style-type: none"> <li>- Onshore and offshore wind farms</li> <li>- Solar photovoltaic</li> <li>- Micro-hydraulic<sup>6</sup></li> <li>- Marine energy<sup>7</sup></li> <li>- Biomass</li> <li>- Geothermal</li> </ul>	<p>Territorial projects in France purged of any recourse, having all the authorizations and permits and controversy free (especially environmental) following the impact studies.</p> <p>Solid biomass wood-based applications: biomass supply within a radius of 100km around the production unit, avoiding competition for food crops and land and benefiting from Sustainable Forest Management Certification PEFC.</p>	<p><b>Climate change mitigation</b></p> <p><i>Avoidance of GHG emissions by substitution from fossil or nuclear fuels for the benefit of renewable energies</i></p> <p><i>Installation of renewable additional capacities and increase of existing ones</i></p> <p><b>Socioeconomic development</b></p> <p><i>Social co-benefit "Support to green employment in the concerned area"</i></p>	<p>The definition of this category is clear, the issuer has set additional eligibility criteria in its internal documentation, which also appears in its Framework.</p> <ul style="list-style-type: none"> <li>- Biomass and geothermal: an area for improvement consists in identifying additional selection criteria/thresholds to be aligned with international standards (ex: &lt;100g CO2/kWh direct emissions for energy production)</li> <li>- Marine energy: As of today, CDC has not identified marine energy projects.</li> </ul>

<sup>6</sup> Development and operation of new installations with an electrical power between 1 MW and 4.5 MW that are not subject to the hydraulic concessions' regime pursuant to Article L. 511-5 of the Energy Code, or in-closes within the perimeter of an existing hydraulic concession.

<sup>7</sup> Production of electricity thanks to the natural flows of currents and tides, and marine matter.



Caisse des Dépôts et Consignations Framework				Vigeo Eiris Analysis
Eligible Categories	Sub-categories and definitions	Eligibility Criteria	Environmental and social objectives and benefits	
Green energy and heat production and storage infrastructure	<b>Efficient heat production</b> Rehabilitation or construction of: <ul style="list-style-type: none"> <li>- Heating or cooling networks</li> <li>- Cogeneration biomass, geothermal, gas or solar thermodynamic</li> <li>- Downstream of industrial units or waste incineration</li> </ul>	Territorial projects in France: <ul style="list-style-type: none"> <li>- Labelled « Ecoréseau de chaleur » (heat eco-network)</li> <li>- CO2 emissions below 500g CO2/MWh</li> <li>- End-User tariffs in lower third<sup>8</sup></li> <li>- High energy density of the network</li> </ul>	<b>Climate change mitigation</b> <i>Valuation of fatal heating (heat derived from a production site and recoverable) and reducing of GHG emissions</i>  <b>Socioeconomic development</b> <i>Social co-benefit "Support to green employment in the concerned area"</i>	The definition of this category is clear. <ul style="list-style-type: none"> <li>- An area for improvement consists in using national/international referencials such as CBI to define the projects and eligibility criteria of this category.</li> </ul>
	<b>Renewable energy storage :</b> <ul style="list-style-type: none"> <li>- Mechanical technology: pumped hydroelectric energy storage (PHES), compressed air energy storage (CAES)</li> <li>- Thermal and thermochemical technology: sensible heat or latent heat, energy by sorption</li> <li>- Chemical technology: storage in the form of oxygen or hydrogen gas</li> </ul>	Territorial projects in France purged of any recourse, having all the authorizations and permits and controversy free (especially environmental) following the impact studies.	<b>Climate change mitigation</b> <i>Avoidance of GHG emissions by facilitating the use of renewable energies by mitigating their intermittency</i>  <b>Socioeconomic development</b> <i>Social co-benefit "Support to green employment in the concerned area"</i>	The definition of this category is clear and the techniques used are identified.  CDC relies on the TEEC label to define projects considered as eligible.

<sup>8</sup> Economic competitiveness criterion is inspired by the label "Ecoréseau de chaleur" (heat eco-network), created by AMORCE, to distinguish the communities for their heating networks meeting 3 criteria: (i) Environmental: a distributed heat resulting for more than 50% of the energies renewable and recovery; (ii) Economic: a global heating bill for the end user lower than the reference solution, and (iii) Social: a place of consultation to report on the operation of this public service to subscribers and users.

Caisse des Dépôts et Consignations Framework				Vigeo Eiris Analysis
Eligible Categories	Sub-categories and definitions	Eligibility Criteria	Environmental and social objectives and benefits	
<b>Green real estate</b>	<p><b>Green buildings</b> New construction and thermal rehabilitation:</p> <ul style="list-style-type: none"> <li>- Tertiary real estate</li> <li>- Residential real estate</li> <li>- Commercial real estate</li> <li>- Leisure, sport and cultural real estate</li> <li>- Tourist residences</li> <li>- Resorts</li> </ul>	<p>Buildings located in France or in Europe</p> <p>To build, restructure or rehabilitate</p> <p>With at least one environmental label following or higher:</p> <ul style="list-style-type: none"> <li>- BBC Effinergie +</li> <li>- HQE Excellent</li> <li>- BREEAM Very Good</li> <li>- LEED Gold</li> <li>- NF Habitat et Environnement</li> <li>- Conformité E+C</li> <li>- Local certifications audited by a third party: Sustainable building Mediterranean, Quality Environment Caledonian (QEC), Ecodistrict, Ecocity</li> <li>- For new construction: having a level of energy performance in line the regulation RT2012<sup>9</sup></li> </ul>	<p><b>Climate change mitigation</b></p> <p><i>Avoidance of energy consumptions and GHG emissions (especially when some materials allow to reduce grey energy of buildings)</i></p> <p><i>Fight against fuel poverty</i></p> <p><b>Socioeconomic development</b></p> <p><i>Social co-benefit "Support to green employment in the concerned area"</i></p>	<p>The definition of this category is clear.</p> <ul style="list-style-type: none"> <li>- The obtention of a recognized international or national certification is required and the required level enables a good energetic and environmental performance.</li> </ul>

<sup>9</sup> Energy performance thresholds RT 2012: Housings 50 kwh/m<sup>2</sup>/y ear, Offices 70kwh/m<sup>2</sup>/y ear, Shops 320 kwh/m<sup>2</sup>/y ear, Hotels, Retirement homes 100kwh/m<sup>2</sup>/y ear, Logistic 50 kwh/m<sup>2</sup>/y ear.

Caisse des Dépôts et Consignations Framework				Vigeo Eiris Analysis
Eligible Categories	Sub-categories and definitions	Eligibility Criteria	Environmental and social objectives and benefits	
Decontamination and remediation of sites	<p><b>Soils contamination</b></p> <p>Decontamination of grounds and basements for all types of sites to make them suitable for a new industrial, commercial or residential use: physical treatment, chemical treatment, biological treatment and thermal treatment</p>	<p>Landscape located in Europe, mostly in France (&gt;50%)</p> <p>Targeted sites of small or medium size (from 1 to 20 hectares), significantly polluted (soil and building) with a strong redevelopment potential, located near major urban areas suffering a shortage of building land.</p> <p>Cost of decontamination very important compared to the overall budget of the development operation.</p>	<p><b>Pollution prevention and control and climate change mitigation</b></p> <p><i>Preservation of the biodiversity and avoidance of GHG emissions by avoiding new artificialisation of land holdings via urban extension</i></p> <p>--</p> <p><i>Improvement of living environment by reducing exposure to polluting substances (e.g stream, groundwater)</i></p> <p><b>Socioeconomic development</b></p> <p><i>Social co-benefit "Support to green employment in the concerned area"</i></p>	<p>The definition of this category is clear.</p> <p>The types of pollutants that will be removed from contaminated sites are clearly identified and remediation strategies and pollutant management once removed are considered appropriate.</p>

Caisse des Dépôts et Consignations Framework				Vigeo Eiris Analysis
Eligible Categories	Sub-categories and definitions	Eligibility Criteria	Environmental and social objectives and benefits	
<b>Sustainable transportation and mobility</b>	<p><b>Sustainable mobility infrastructure and services</b></p> <ul style="list-style-type: none"> <li>- Rail transport infrastructure for freight and/or passenger transport</li> <li>- Waterway transport infrastructure for freight and/or passenger transport</li> <li>- Intermodal exchange hubs enabling transfers:               <ul style="list-style-type: none"> <li>- Combined transport platforms: rail-road, or rail-in-river, or sea-fluvial</li> <li>- Multimodal platforms allowing access to clean modes (train station, river port...)</li> </ul> </li> <li>- Fleets of clean rolling materials and associated refuelling/supplying infrastructure (electric technologies, hydrogen, gas excluded)</li> <li>- Operators of smart and sustainable mobility services based on clean rolling materials (carsharing, carpooling, clean urban logistics...)</li> </ul>	<p>Territorial projects in France purged of any recourse, having all the authorizations and permits and controversy-free</p> <p>Operational investment platforms</p> <p>Rail transport: Electric locomotives only</p> <p>Clean rolling material: electric technologies and hydrogen</p>	<p><b>Climate change mitigation</b> <i>Avoidance of GHG emissions</i></p> <p><b>Air quality improvement</b> <i>Reduction of local atmospheric pollutants</i></p> <p><b>Access to public transportation</b> <i>Mobility services for population in need<sup>10</sup>, improvement of security</i></p> <p><b>Socioeconomic development</b> <i>Social co-benefit "Support to green employment in the concerned area"</i></p>	The definition of this category is clear.

<sup>10</sup> One of the objectives of the Transport Department is to bring out innovative services for smart and sustainable mobility in the demand segments not covered by major industrial or digital players, particularly for underserved populations such as seniors.

Caisse des Dépôts et Consignations Framework				Vigeo Eiris Analysis
Eligible Categories	Sub-categories and definitions	Eligibility Criteria	Environmental and social objectives and benefits	
Digital infrastructure	<b>Eco-efficient data centers</b> Territorial Data Center	Territorial projects in France purged of any recourse, having all the authorizations and permits and controversy-free.  Energy efficiency: <i>Power Usage Effectiveness</i> (PUE) less than 1.3 Contribution to avoidance of GHG: <i>Carbon Usage Effectiveness</i> (CUE) less than 80g/kWh	<b>Climate change mitigation</b> <i>Curtailling the carbon footprint of the digital</i>  <b>Socioeconomic development</b> <i>Social co-benefit "Support to green employment in the concerned area"</i>	The definition of this category is clear.  The eligibility criteria are in line with good market practices by relying on notably the PUE et CUE indicators, developed by <i>Green Grid</i> .
	<b>Access to digital:</b> <u>Optic fibre networks:</u> Second generation of Public Initiative Networks (PIN) <ul style="list-style-type: none"> <li>- PIN for collecting, unbundling or serving companies</li> <li>- PIN for sharing optical fibre up to the subscriber</li> </ul>	Territorial projects in France purged of any recourse, having all the authorizations and permits and controversy-free, established in a territory where: <ul style="list-style-type: none"> <li>(i) the deployment of optical fibre is not profitable for a private operator, because of low population density and/ or deployment difficulties;</li> <li>(ii) GDP per capita is below the national average</li> </ul> <u>Target populations:</u> residents, local companies, public services (educational institution, public health, environmental services...) of digital deserts (peri-urban and rural areas, migrants...)	<b>Access to information</b> <i>Reduction of digital fracture</i>  <b>Socioeconomic development</b> <i>Social co-benefit "Support to green employment in the concerned area"</i>	The description of this category is clear and the target populations are clearly identified.

Caisse des Dépôts et Consignations Framework				Vigeo Eiris Analysis
Eligible Categories	Sub-categories and definitions	Eligibility Criteria	Environmental and social objectives and benefits	
<b>Education and professional insertion</b>	<p><b>Access to training</b> Training organizations:</p> <ul style="list-style-type: none"> <li>- Private technical education institution delivering state recognized professional diplomas</li> <li>- Professional training, including qualification, reconversion and retraining</li> <li>- Training programs</li> <li>- Training for new jobs (technology systems...)</li> <li>- Training for sectors experiencing shortages of workforce</li> </ul>	<p>Free, qualifying and/or professionalizing training accredited by the State:</p> <ul style="list-style-type: none"> <li>- Professional diplomas</li> <li>- Certified labels (e.g Grande Ecole du Numérique)</li> <li>- Professional qualification certificate (PQC)</li> </ul> <p><u>Target populations :</u> People with socio-professional integration difficulties (all ages), without training or professional experiences, long term unemployed</p> <ul style="list-style-type: none"> <li>- Young people under 18 with educational difficulties (deschooling, learning difficulties)</li> <li>- Young workers between 16 and 25/30</li> <li>- Young people not in employment, education or training (NEET)</li> <li>- People in sensitive or priority areas or in a vulnerable situation (peri-urban and rural areas, migrants...)</li> </ul>	<p><b>Access to education and employment</b></p> <p><i>Professional training and integration of young and unemployed people</i></p> <p><i>Gender equality goal</i></p>	The description of this category is clear and the target populations are clearly identified.

Caisse des Dépôts et Consignations Framework				Vigeo Eiris Analysis
Eligible Categories	Sub-categories and definitions	Eligibility Criteria	Environmental and social objectives and benefits	
<b>Social and Solidarity economy</b>	Investments in any companies of the SSE (existing structures, structures in the process of creation, rapidly developing structures)	<p>All SSE companies within the meaning of the law of July 31, 2014 (association, cooperatives, mutual, foundation, commercial SSE companies) active in France, particularly in the health, medico-social, Silver Economy, energy transition, short circuits and circular economy, social tourism, culture sectors.</p> <p>Companies with social utility within the meaning of article 2 of the law of July 31, 2014 and which respect a goal pursued other than the sole sharing of profits.</p> <p><u>Target population:</u> SSE companies</p>	<p><b>Socioeconomic development</b></p> <p><i>Emergence, scaling up and activity diversification of SSE companies in France</i></p> <p>--</p> <p><i>Creation of activities and employments and socioeconomic development of territories</i></p>	The description of this category is clear and the target populations are clearly identified.
<b>Social real estate</b>	<p><b>Social housing</b></p> <p>Support of project managers in the production of social housing for people experiencing social and economic difficulties:</p> <ul style="list-style-type: none"> <li>- Through building acquisition or long term location by “perpetual lease” or through renovation</li> <li>- Through financial assistance with participative loans</li> </ul>	<p>Project Manager with Social Utility Company certification (ESUS)</p> <p><u>Target populations:</u> person living without adequate housing, household in position of insecurity and exclusion</p>	<p><b>Access to housing</b></p> <p><i>Fight against inadequate housing and access to housing</i></p>	The description of this category is clear and the target populations are clearly identified.

Caisse des Dépôts et Consignations Framework				Vigeo Eiris Analysis
Eligible Categories	Sub-categories and definitions	Eligibility Criteria	Environmental and social objectives and benefits	
Health and social-healthcare	<p><b>Reduction of medical deserts</b></p> <ul style="list-style-type: none"> <li>- Construction/renovation/extension of multi-disciplinary health centres</li> <li>- Investments in the development of local investment companies (mixed-economy company) in the health sector</li> <li>- Support the health professionals, through the purchase of materials, mobility and training</li> <li>- Equipment of medical and health establishments in the deployment of e-medicine</li> </ul>	<p>Territorial projects in France purged of any recourse, having all the authorizations and permits and controversy-free, established in a territory:</p> <ul style="list-style-type: none"> <li>- Where the population is more than 20 minutes away from at least one local health service</li> <li>- Depending on the rate of availability of medical services in a territory</li> <li>- Of medium size, peri-urban and/or rural</li> </ul> <p><u>Target populations:</u> people from peri-urban/rural areas considered medical deserts (areas with the health offer shortages)</p> <p><i>*According to INSEE Permanent Facilities Database</i></p>	<p><b>Access to health and essential services</b></p> <p><i>Improve the availability of medical care and the health situation of the population</i></p> <p>--</p> <p><i>Reduce territorial and social health inequalities, especially in terms of transportation time and distance to access to care (medical deserts)</i></p>	The description of this category is clear and the target populations are clearly identified.



Caisse des Dépôts et Consignations Framework				Vigeo Eiris Analysis
Eligible Categories	Sub-categories and definitions	Eligibility Criteria	Environmental and social objectives and benefits	
	<p><b>Accompanying the ageing of the population</b></p> <ul style="list-style-type: none"> <li>- Construction/renovation/extension of retirement home, EHPAD and senior health homes</li> <li>- Support to health professionals in the elderly care sector</li> </ul>	<p>Territorial projects in France purged of any recourse, having all the authorizations and permits and controversy-free.</p> <ul style="list-style-type: none"> <li>- Projects for people over 60 years old</li> <li>- Professionalisation projects, home help development and improvement of empowerment jobs</li> </ul> <p><u>Sanitary and social real estate:</u> Buildings in France to build, restructure or rehabilitate, with at least the environmental label NF Habitat, NF Habitat HQE or higher</p>	<p><b>Climate change mitigation</b></p> <p><i>Avoidance of energy consumptions and GHG emissions</i></p> <p><b>Access to health and essential services</b></p> <p><i>Improve empowerment and health situation of elderly people and reduce social health inequalities</i></p>	<p>The description of this category is clear and the target populations are clearly defined.</p> <ul style="list-style-type: none"> <li>- Health and social real estate projects are based on the requirements of the environmental label NF Habitat, NF Habitat HQE or higher</li> </ul>

The Eligible Projects are likely to contribute to ten United Nations' Sustainable Development Goals, namely :  
**SDG 1. No poverty**, **SDG 3. Good Health and Well-being**, **SDG 4. Quality Education**, **SDG 7. Affordable and Clean energy**, **SDG 8. Decent work and economic growth**, **SDG 9. Industry, Innovation and Infrastructure**, **SDG 10. Reduced inequalities**, **SDG 11. Sustainable Cities and Communities**, **SDG 13. Climate Action** and **SDG 15. Life on Land**.



Eligible Green and Social Domains	UN SDGs	UN SDGs targets
Green energy and heat production and storage infrastructure	SDG 7. Affordable and Clean Energy	7.1, 7.2
	SDG 13. Climate Action	
Green real estate	SDG 7. Affordable and Clean Energy	7.3
	SDG 11. Sustainable Cities and Communities	11.3
	SDG 13. Climate Action	
Decontamination and Remediation of sites	SDG 15. Life on Land	15.3
Sustainable transportation and mobility	SDG 9. Industry, Innovation and Infrastructure	9.1
	SDG 11. Sustainable Cities and Communities	11.2, 11.3
	SDG 13. Climate Action	
Digital infrastructures	SDG 8. Decent work and economic growth	8.2
	SDG 9. Industry, Innovation and Infrastructure	9.1, 9.c
	SDG 10. Reduced inequalities	10.2
Education and professional insertion	SDG 4. Quality Education	4.4, 4.5
	SDG 10. Reduced inequalities	10.2
Social Solidarity Economy	SDG 1. No poverty	1.2,
	SDG 8. Decent work and economic growth	8.3
	SDG 10. Reduced inequalities	10.2
Social real estate	SDG 1. No poverty	1.2,1.4
	SDG 10. Reduced inequalities	10.2
	SDG 11. Sustainable Cities and Communities	11.1

Eligible Green and Social Domains	UN SDGs	UN SDGs targets
Healthcare and social healthcare	SDG 3. Good Health and Well-being	3.8
	SDG 10. Reduced inequalities	10.2
	SDG 7. Affordable and Clean Energy	7.3
	SDG 11. Sustainable Cities and Communities	11.3

### **Process for Projects Evaluation and Selection**

**The governance and the process for the evaluation and selection of the Eligible Projects are formalized in the Framework. We consider that the process is reasonably structured, transparent and relevant.**

The evaluation and selection of Eligible Projects is based on relevant internal expertise with well-defined roles and responsibilities:

- In the context of the issuance of Bonds, a Green, Social and Sustainability Bond Committee (“the Committee”) was created:

The Committee is chaired by the Head of Group Financial Department and the manager of the Risk Assessment and Data Management Department is the secretary. The Committee is also composed of :

- The head of the investment department of Banque des Territoires
- The head of the financial department of Banque des Territoires
- The manager of the Extra-Financial Evaluation Division of Banque des Territoires
- The manager of subsidiary CDC GPI
- The manager of the Risk Assessment and Data Management Department
- The manager of the Group sustainable policy
- The manager of Studies and Coordination within the Accounting and Financial Group Department
- The manager of Accounting service within the Accounting and Financial Group Department
- The manager of Accounting service within the financial execution department
- The manager of Banking, Finance and Capital Markets within the Legal and Associated Services department
- The manager of Balance Sheet Risk and Validation of Models within the Group Risk Department
- The Committee is responsible for:
  - Decision to allocate the bond proceeds to eligible projects which have already been disbursed ;
  - Reviewing the follow-up of projects already allocated by ensuring that they comply with the eligibility criteria over time;
  - Decision, if relevant, to replace any project becoming ineligible ;
  - If necessary, completing the pool of projects of an existing issuance;
  - Monitoring of unallocated proceeds towards potential eligible projects;
  - Specifying to cash management the amount to be reinvested, the cash management dealing with the investment of excess cash amounts,
  - Updating eligibility criteria

The process for evaluation and selection of the Eligible Projects is clearly defined.

- The head of investment department of Banque des Territoires and of the financial department are in charge of the identification of the projects and of the eligibility analysis.
- The engagement decision and the confirmation of eligibility is taken by the Commitment Committee
- The allocation decision is endorsed by the Committee.

The verification and traceability is ensured throughout the process:

- The conformity of the asset to the eligibility criteria and the non-implication in a major controversy will be annually verified and the Committee will confirm that asset already allocated still comply with the criteria or will request the withdrawal of the project from the list of eligible assets. Minutes of the Committee are written and conserved as audit trails.
- An external auditor will examine the conformity of the Selected Projects with the defined eligibility criteria and will provide a conformity certificate of the projects.

**The process relies on explicit and relevant eligibility criteria (selection and exclusion).**

- The selection criteria are based on the «Eligible Categories» definitions of the Framework.
- The Issuer, through its Climate Policy, commits to not directly invest in listed shares and bonds of companies whose thermal coal extraction activity or electricity production from thermal coal exceeds 10% of its turnover.

**The identification and management of the environmental and social risks associated with Eligible Projects is considered good. We consider that the the system in place enables environmental and social risks to be properly identified. In addition, the deployment of new non-financial rating grids aims to formalize and strengthen the identification and management of non-financial risks associated with projects.**

The analysis of the non-financial risks associated with the assets is carried out prior to each investment decision according to the following procedure :

- Investment teams inquiring new projects are in charge of verifying compliance with sectoral and normative exclusion policies (non-cooperative states and territories, high-risk money laundering and terrorist financing jurisdictions, anti-personnel mines and cluster bombs, tobacco and thermal coal) and ensuring the proper implementation of CDC's KYC procedure.
- Investment teams inquiring new projects are in charge of analysing the main non-financial risks based on information collected from Environmental, Social and Governance (ESG) evaluation agencies, companies and external research. This analysis is integrated in a note that also explains the local/territorial context and the challenges of a new investment, with a pre-identification of the positive externalities associated with the project. This note is intended to be presented to the Commitment Committee in charge of accepting investment applications (Commitments Committee - Group CDE, Commitment Committee of the the Banque des Territoires - BdT CDE, National Commitments Committee - CNE or Regional Directorate depending on the amounts or type of investment).
- Investment teams inquiring new projects are also responsible for verifying that the projects under consideration have received all regulatory environmental and social authorizations (preliminary environmental and/or social impact studies).
- Sector experts and the Risk Department are consulted upstream of the investment committees and may express reservations about some extra-financial risks associated with investments.
- Reservations related to non-financial risks are discussed by the Investment Committee, which may request additional verifications relating to the different types of risks identified for the project, including those related to externalities, before taking its commitment decision.

In order to assist the investment teams in their formalized and systematized analysis of these non-financial risks, CDC has developed, by "sector category", non-financial investment rating grids that aim to strengthen the "ESG flash rating" tool implemented by the Risk Department. This work was carried out in collaboration with the Steering, Strategic and Financial Managers of each sector line, who were trained in non-financial issues, as well as in consultation with internal sector business experts. These grids, which are currently being tested in certain departments and regional divisions, are intended to be extended to all the Group's investments before the end of 2019.

Once the allocation decision has been validated, a global monitoring of investment assets and management companies is carried out by a designated administrator, including, among other things, strategic and non-financial aspects. The latter is responsible for representing CDC Group in strategic governance bodies for projects in which it invests (in particular, within the Board of Directors or the General Assembly) and for ensuring that all environmental, social and good governance issues are addressed in these bodies.

When collecting (at least annually) information related to each project (funds allocation tracking, impact indicators and compliance with eligibility criteria), potential ESG controversies related to the Green, Social or Sustainable Bond are reported and communicated to the Green, Social and Sustainable Bonds Committee, which may decide to de-link the asset if necessary. CDC has initiated the establishment, at the level of the management teams, of an internal controversy monitoring committee, which until now has been provided by internal service providers.

### **Management of proceeds**

**The rules for the management of proceeds are clearly defined. We consider that they would enable a documented and transparent allocation process.**

The allocation and management of the proceeds are clearly defined:

- The net proceeds of the Bond will be credited to CDC's treasury liquidity portfolio, and will be managed in cash or in other short term liquid instruments, in accordance with the Issuer's responsible investment policy and with exclusion principles.
- The non-allocated proceeds will be placed, by the treasury management team, within a dedicated accounting section. The proceeds will be placed within 10 working days from the date of settlement of the issuance and readjusted upon the production of the annual minutes of the Committee.
- The Issuer commits to allocate the proceeds of the Sustainable Bonds to a list of Eligible Projects within a period of 12 months following the issuance of the bond.
- In the event of a project becoming ineligible, or in the event of asset transfer, the Issuer commits to allocate the net proceed to finance other eligible assets in accordance with the Framework, corresponding to one of the eligible asset categories within a 12-month period.

Traceability and verification of the proceeds are ensured throughout the process.

- The Issuer will follow the net proceeds of the bond in two dedicated accounting sections of its treasury: one dedicated to the liabilities of the bond itself and the other to the management of the cash resources pending allocation.
- A two level internal monitoring of the proceeds of the bonds towards the projects, as well as an allocation system of the assets to the green, social and sustainable bonds in share of assets will enable to avoid double counting risks. This monitoring of the proceeds is integrated into the annual financial report which will be annually reviewed by an external auditor.

## Monitoring & Reporting

The reporting process and commitments are considered to be good, covering both the funds allocation and the expected environmental and social benefits of the Eligible Projects. The Issuer has undertaken an advisory mission with an external expert to identify and develop ESG indicators to report on the environmental and social impacts related to Eligible Projects one year after the issue of the Bonds.

The processes for monitoring, data collection, consolidation and reporting are clearly defined by the Issuer in internal documentation.

The process is structured and based on relevant internal expertise and involves relevant departments of the Issuer:

- Investment teams developing new projects are in charge of collecting indicators. Raw data are collected through internal referres designated as Green, Social and Sustainable Bond interlocutors.
- The Investment Department Manager, the Green, the Social and Sustainability Bond Committee and the Group Sustainable Policy are in charge of the consolidation of the indicators (at portfolio, management/subsidiaries and Group level).
- The Group Sustainable Policy and Department of Communication are in charge of the realization of the annual report.

The Issuer commits to publish annually, on its website, from 2020 and until the maturity of the Bond, an “insurance notice” of the good allocation of proceeds, a conformity certificate of projects and ESG indicators associated to projects.

The Issuer commits to transparently communicate at Eligible Category level, on:

- The allocation of proceeds: the selected reporting indicators related to the fund’s allocation are relevant and exhaustive.

Reporting indicators
<ul style="list-style-type: none"> <li>- Exhaustive and nominative list of financed projects</li> <li>- Number of projects per Eligible Category</li> <li>- The average share of financing</li> <li>- Amounts invested</li> <li>- Share of refinancing</li> <li>- Share of non allocated funds</li> <li>- Share of co-financing of financed projects</li> </ul>

- Environmental and social benefits: the selected reporting indicators are relevant. To be noted that the Issuer has undertaken an advisory mission with an external expert to identify and develop ESG indicators to report on the environmental and social impacts related to Eligible Projects one year after the issue of the Bonds.

Eligible Categories	Sub-category	Result indicators	Impact Indicators
Green energy and heat production and storage infrastructure	Renewable electricity generation	<ul style="list-style-type: none"> <li>- Production capacity</li> <li>- Annual production (real/estimated for operating and construction assets)</li> </ul>	<ul style="list-style-type: none"> <li>- Number of direct jobs sustained</li> <li>- CO2 emissions avoided</li> <li>- Number of households equivalent supplied</li> </ul>
	Efficient heat production		
	Renewable energy storage	<ul style="list-style-type: none"> <li>- Amount of stored energy / storage capacity</li> <li>- Technology used</li> </ul>	<ul style="list-style-type: none"> <li>- Number of direct jobs sustained</li> </ul>

Eligible Categories	Sub-category	Result indicators	Impact Indicators
<b>Green real estate</b>	<b>Green Buildings</b>	<ul style="list-style-type: none"> <li>- Energy consumption (kWh/m<sup>2</sup>/year)</li> <li>- Environmental certification and/or energy label</li> <li>- Share of projects outside the Paris agglomeration</li> </ul>	<ul style="list-style-type: none"> <li>- Number of direct jobs sustained</li> <li>- CO2 emissions avoided</li> <li>- Energy saving (kWh/m<sup>2</sup>/year)</li> </ul>
<b>Decontamination and remediation of sites</b>	<b>Soils decontamination</b>	<ul style="list-style-type: none"> <li>- Number of decontaminated sites</li> <li>- Surface of decontaminated lands (ha)</li> </ul>	<ul style="list-style-type: none"> <li>- Number of direct jobs sustained</li> <li>- CO2 emissions avoided</li> </ul>
<b>Sustainable mobility infrastructure and services</b>	<b>Sustainable transportation and mobility</b>	<ul style="list-style-type: none"> <li>- Number of clean vehicles deployed by type of transport</li> <li>- Number of charging stations installed</li> <li>- Number of km of river transport/rail deployed</li> <li>- Number of users served</li> </ul>	<ul style="list-style-type: none"> <li>- Number of direct jobs sustained in the construction phase/operational phase</li> <li>- CO2 emissions avoided</li> </ul>
<b>Digital infrastructure</b>	<b>Eco-efficient data centers</b>		<ul style="list-style-type: none"> <li>- Number of direct jobs sustained in the construction phase/operational phase</li> <li>- CO2 emissions avoided (data center)</li> </ul>
	<b>Access to digital</b>	<ul style="list-style-type: none"> <li>- Rate of coverage of the public initiative area</li> <li>- Number of connectable outlets</li> <li>- Number of connected dwellings</li> <li>- Number of companies /public institutions subscribed</li> </ul>	<ul style="list-style-type: none"> <li>- Number of direct jobs sustained in the construction phase/operational phase</li> </ul>
<b>Education and professional insertion</b>	<b>Access to training</b>	<ul style="list-style-type: none"> <li>- Number of beneficiaries</li> <li>- Number of trained/graduated people</li> <li>- Number of hours of training or professional reintegration created</li> </ul>	<ul style="list-style-type: none"> <li>- Number of direct jobs sustained</li> </ul>
<b>Social Solidarity Economy</b>	<b>Social Solidarity Economy</b>	<ul style="list-style-type: none"> <li>- Number of beneficiary companies</li> <li>- Number of final recipients</li> </ul>	<ul style="list-style-type: none"> <li>- Number of direct jobs sustained</li> </ul>
<b>Social real estate</b>	<b>Social housing</b>	<ul style="list-style-type: none"> <li>- Number of beneficiaries</li> </ul>	<ul style="list-style-type: none"> <li>- Number of direct jobs sustained</li> </ul>
<b>Healthcare and social-healthcare</b>	<b>Reduction of medical deserts</b>	<ul style="list-style-type: none"> <li>- Number of health centers built/ renovated</li> <li>- Number of beneficiaries (additional capacity available)</li> </ul>	<ul style="list-style-type: none"> <li>- Increase in % of the population served by local medical care</li> <li>- Evolution indicator of localized potential accessibility (APL) to the</li> </ul>

Eligible Categories	Sub-category	Result indicators	Impact Indicators
		<ul style="list-style-type: none"> <li>- Number of medical consultations per year (GPs, specialists)</li> <li>- Follow-up of the % of the adult population reporting having given up health care for financial reasons</li> </ul>	<ul style="list-style-type: none"> <li>doctor, which is expressed in number of accessible consultations per year per inhabitant.</li> <li>- Reduced access time for residents to health care</li> </ul>
	<b>Accompanying the ageing of the population</b>	<ul style="list-style-type: none"> <li>- Number of retirement homes/EPHAD/senior health homes built or renovated</li> <li>- Number of additional places available</li> <li>- Annual energy consumption (by m<sup>2</sup>)</li> <li>- Environmental Certifications</li> </ul>	<ul style="list-style-type: none"> <li>- Number of direct jobs sustained</li> <li>- CO2 emissions avoided</li> <li>- Energy saving (kWh/year)</li> </ul>

The calculation methodologies and assumptions used to calculate the benefits of the Eligible Categories will be pre-defined beforehand and will be published in the annual reports

The areas for improvement consist in having the environmental and social data included in the reports (indicators and results) audited annually by an external audit, and communicate on the material developments relating to the Bonds and projects financed, including ESG controversies, in order to ensure transparency in this respect, at least for investors.



## METHODOLOGY

In Vigeo Eiris' view, Environmental, Social and Governance (ESG) factors are intertwined and complementary. As such they cannot be separated in the assessment of ESG management in any organization, activity or transaction. In this sense, Vigeo Eiris writes an opinion on the Issuer's Corporate Social Responsibility as an organization, and on the objectives, management and reporting of the assets to be financed by this transaction.

Vigeo Eiris' methodology for the definition and assessment of the corporate's ESG performance is based on criteria aligned with public international standards, in compliance with the ISO 26000 guidelines, and organized in 6 domains: Environment, Human Resources, Human Rights, Community Involvement, Business Behaviour and Corporate Governance. The evaluation framework has been customized regarding material issues, based on our generic Specific Purpose Banks & Agencies ESG assessment frameworks and specific issues considering the Issuer's business activity.

Our research and rating procedures are subject to internal quality control at three levels (analysts, heads of cluster sectors, and internal review by the audit department for second party opinions) complemented by a final review and validation by the Direction of Methods. A right of complaint and recourse is guaranteed to all companies under our review, including three levels: first, the team linked to the company, then the Direction of Methods, and finally Vigeo Eiris' Scientific Council. All collaborators are signatories of Vigeo Eiris' Code of Ethics.

### Part I. ISSUER

*NB: The Issuer performance, i.e., commitments, processes, results of the Issuer, related to ESG issues have been assessed through a complete process of rating and benchmark developed by Vigeo Eiris Rating.*

#### Level of the Issuer's ESG performance

The Issuer has been evaluated by Vigeo Eiris on its Corporate Social Responsibility (CSR) performance, based on relevant ESG drivers organized in the 6 sustainability domains. Caisse des Dépôts' performance has been assessed by Vigeo Eiris on the basis of its:

- **Leadership**: relevance of the commitments (content, visibility and ownership).
  - **Implementation**: coherence of the implementation (process, means, control/reporting).
  - **Results**: indicators, stakeholders' feedbacks and controversies.
- Scale for assessment of ESG performance: Advanced, Good, Limited, Weak.

#### Management of stakeholder-related ESG controversies

A controversy is an information, a flow of information, or a contradictory opinion that is public, documented and traceable, allegation against an Issuer on corporate responsibility issues. Such allegations can relate to tangible facts, be an interpretation of these facts, or constitute an allegation on unproven facts.

Vigeo Eiris provides an opinion on companies' controversies risks mitigation based on the analysis of 3 factors:

- **Severity**: the more a controversy will relate to stakeholders' fundamental interests, will prove actual corporate responsibility in its occurrence, and will have adverse impacts for stakeholders and the company, the highest its severity. Severity assigned at corporate level will reflect the highest severity of all cases faced by the company (scale: Minor, Significant, High, Critical).
- **Responsiveness**: ability demonstrated by an Issuer to dialogue with its stakeholders in a risk management perspective and based on explanatory, preventative, remediating or corrective measures. At corporate level, this factor will reflect the overall responsiveness of the company for all cases faced (scale: Proactive, Remediate, Reactive, Non-Communicative).
- **Frequency**: reflects for each ESG challenge the number of controversies faced. At corporate level, this factor reflects on the overall number of controversies faced and scope of ESG issues impacted (scale: Isolated, Occasional, Frequent, Persistent).

The impact of a controversy on a company's reputation reduces with time, depending on the severity of the event and the company's responsiveness to this event. Conventionally, Vigeo Eiris' controversy database covers any controversy with Minor or Significant severity during 24 months after the last event registered and during 48 months for High and Critical controversies.

### Involvement in controversial activities

15 controversial activities have been analysed following 30 parameters to verify if the company is involved in any of them. The company's level of involvement (Major, Minor, No) in a controversial activity is based on:

- An estimation of the revenues derived from controversial products or services.
- The precise nature of the controversial products or services provided by the company.

## **Part II. ISSUANCE**

*The Framework has been evaluated by Vigeo Eiris according to the Green Bond Principles and our methodology based on international standards and sector guidelines applying in terms of ESG management and assessment.*

### Use of proceeds

The use of proceeds guidelines is defined to ensure that the funds raised are used to finance and/or refinance Eligible Projects. The Eligible Projects endorsed shall comply with the eligibility criteria in order to be considered as Eligible Green, Social or Sustainability Project. Vigeo Eiris evaluates the relevance, measurability and preciseness of the associated environmental and/or social objectives. The contribution of Eligible Projects to sustainable development is evaluated based on the United Nations Sustainable Development Goals.

### Process for evaluation and selection

The evaluation and selection process has been assessed by Vigeo Eiris regarding its transparency, governance and efficiency. The explicitness of eligibility criteria and associated supporting elements integrated in the Bonds issuances, and the coherence of the process are analysed based on material issues considered in Vigeo Eiris' methodology.

### Management of proceeds

The rules for the management of proceeds and the allocation process have been evaluated by Vigeo Eiris regarding their transparency, coherence and efficiency.

### Reporting

Reporting indicators, processes and methodologies are defined by the Issuer to enable annual reporting on fund allocation, environmental and social benefits (output and impact indicators) and on the responsible management of Eligible Projects financed by the Bonds proceeds, collected at project level and potentially aggregated at Bond and/or asset level. Vigeo Eiris has evaluated the relevance of the reporting framework according to three principles: transparency, exhaustiveness and effectiveness.

## **VIGEO EIRIS' ASSESSMENT SCALES**

<b>Performance evaluation</b>	
Advanced	Advanced commitment; strong evidence of command over the issues dedicated to achieving the objective of social responsibility. Reasonable level of risk management and using innovative methods to anticipate emerging risks.
Good	Convincing commitment; significant and consistent evidence of command over the issues. Reasonable level of risk management.
Limited	Commitment to the objective of social responsibility has been initiated or partially achieved; fragmentary evidence of command over the issues. Limited to weak level of risk management.
Weak	Commitment to social responsibility is non-tangible; no evidence of command over the issues. Level of insurance of risk management is weak to very weak.

<b>Level of assurance</b>	
Reasonable	Able to convincingly conform to the prescribed principles and objectives of the evaluation framework
Moderate	Compatibility or partial convergence with the prescribed principles and objectives of the evaluation framework
Weak	Lack or unawareness of, or incompatibility with the prescribed principles and objectives of the evaluation framework

Vigeo Eiris is an independent international provider of environmental, social and governance (ESG) research and services for investors and public & private organizations. We undertake risk assessments and evaluate the level of integration of sustainability factors within the strategy and operations of organizations.

Vigeo Eiris offers a wide range of services:

- ▶ **For investors:** decision making support covering all sustainable and ethical investment approaches (including ratings, databases, sector analyses, portfolio analyses, structured products, indices and more).
- ▶ **For companies & organizations:** supporting the integration of ESG criteria into business functions and strategic operations (including sustainable bonds, corporate ratings, CSR evaluations and more).

Vigeo Eiris is committed to delivering client products and services with high added value: a result of research and analysis that adheres to the strictest quality standards. Our methodology is reviewed by an independent scientific council and all our production processes, from information collection to service delivery, are documented and audited. Vigeo Eiris has chosen to certify all its processes to the latest ISO 9001 standard. Vigeo Eiris is an approved verifier for CBI (Climate Bond Initiative). Vigeo Eiris' research is referenced in several international scientific publications.

With a team of more than 240 experts of 28 different nationalities, Vigeo Eiris is present in Paris, London, Boston, Brussels, Casablanca, Hong Kong, Milan, Montreal, Rabat, Santiago and Stockholm.

The Vigeo Eiris Global Network, comprising 7 exclusive research partners, is present in Australia, Brazil, Germany, Israel, Japan, Spain and Mexico.

For more information: [www.vigeo-eiris.com](http://www.vigeo-eiris.com)

#### Disclaimer

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This opinion aims at providing an independent opinion on the sustainability credentials and management of the Bond, based on the information which has been made available to Vigeo Eiris. Vigeo Eiris has neither interviewed stakeholders out of the Issuer's employees, nor performed an on-site audit nor other test to check the accuracy of the information provided by the Issuer. The accuracy, comprehensiveness and trustworthiness of the information collected are a responsibility of the Issuer. Providing this opinion does not mean that Vigeo Eiris certifies the effectiveness, the excellence or the irreversibility of the assets to be financed by the Bond. The Issuer is fully responsible for attesting the compliance with its commitments defined in its policies, for their implementation and their monitoring. The opinion delivered by Vigeo Eiris neither focuses on the financial performance of the Bond, nor on the effective allocation of its proceeds. Vigeo Eiris is not liable for the induced consequences when third parties use this opinion either to make investments decisions or to make any kind of business transaction.

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