BUSINESS REVIEW 2013



(Re)discover Caisse des Dépôts Group's 2013 Business Review.

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A comfact website (French only) offering a more un-depth look!

A 2013 timeline in images, reports, by region, etc.

A three-minute film summarising the Group.



Key figures for 2013.

All of Caisse des Dépôts' Business Reviews...

Main CSR indicators.







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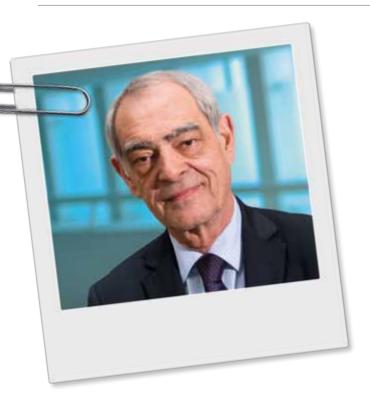
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2013 was a pivotal year for Caisse des Dépôts and improved results coupled with the Group's new strategic priorities pave the way for exciting new developments."

Henri Emmanuelli

Chairman of the Supervisory Board

First and foremost, an overview of 2013 highlights the robustness of Caisse des Dépôts Group's business model in what continues to be a recessionary business environment.

After the losses recorded in 2012, Caisse des Dépôts Group returned to profit in

2013. Consolidated net profit came in at €2.137 billion and consolidated equity (at €27.5 billion) has virtually been restored to pre-financial crisis levels. Non-recurring items aside, these fine results are due to the contribution of the Group's major subsidiaries together with shrewd financial management in the Public Institution's Central Sector – in spite of very low interest rates.

Savings Funds' lending activity remained buoyant: €21 billion worth of new loans were signed in 2013, including a record amount of more than €16 billion earmarked for the construction of 110,000 units of social housing and accommodation — this compares with €15 billion already set aside for the same purpose in 2012. The reform of regulated savings accounts in July 2013 resulted in the decentralisation of some €30 billion in funds. Nevertheless, the Savings Funds' capacity to sustain very high levels of lending will have to be monitored carefully as deposit inflows show signs of slowing down.

Behind the abstract figures and a complex business model, the results reflect Caisse des Dépôts' commitment as a long-term investor in France's economic development: the Group is the country's top provider of social housing finance, the largest investor in the equity of infrastructure projects as well as a heavyweight corporate financier (Bpifrance handed out over €10 billion in loans in 2013).

But this envious position gives us absolutely no reason to rest on our laurels! France's current challenges require much more local investment and dynamism in order to boost the attractiveness of our regions and improve the lives of our citizens. This is precisely why − together with Jean-Pierre Jouyet − we defended the decision to ease the eligibility criteria for the €20 billion in long-term financing to be provided out of the Savings Funds for local and regional development. By the end of 2013, €3.4 billion had been committed to financing 350 local projects − two-thirds in small communes − and this pace looks like being sustained in 2014 as €850 million worth of loans had already been signed by April of this year.

Caisse des Dépôts has been overstretched in recent years — as our involvement in the break-up of Dexia so amply illustrated — its balance sheet loaded with debt and its room for manoeuvre considerably reduced. It now needs to reclaim

this room for manoeuvre in the way it manages its savings funds and equity and this will undoubtedly require a more dynamic approach to managing its own investments. Also, contrary to certain set ideas, when Caisse des Dépôts decides to invest, it should not be at the taxpayers' expense, but on the basis of the equity it has built up since 1816. On the other hand, the Group is a net contributor to the national coffers and Caisse des Dépôts paid over €1.4 billion to the State in 2013, a dividend payout rate of more than 80%. The Supervisory Board deems this excessive and in conjunction with the Chairman and Chief Executive Officer and the Ministry of the Economy and Finance, it wishes to begin discussions on a new set of rules that will result in more balanced payment arrangements.

One of the highlights of 2013 was the definition of the Group's new strategic focuses. They are designed to free up all of its potential and position it in the front line of economic development, especially the efforts to reindustrialise France through investment in the growth sectors of tomorrow.

This new framework is a great opportunity for Caisse des Dépôts to speed up its transformation and give itself a clearer overall strategy and a more effective organisation. To become a fully integrated group, it is essential to exploit potential synergies and possibilities for cross-disciplinary initiatives where approaches based on compartmentalisation and overlapping responsibilities currently predominate. At a time when the public sector is being ordered to make savings, the Supervisory Board will seek to ensure that streamlining initiatives undertaken over the past few months are stepped up.

In particular, the new strategic framework has been used to set out clear and ambitious development focuses and the corresponding road maps have recently been validated by the Supervisory Board and backed up with concrete action. Our primary aim is partnering French businesses. To fully leverage the potential of the CDC SME Growth Fund and Bpifrance – the Group's largest subsidiary with a strategic plan that has earmarked almost €12 billion in funding and almost €1 billion for equity investments in French SMEs through 2017 – Caisse des Dépôts Group will need

to provide French business and industry with the financing solutions it needs to get the country moving again. In view of the large amount of equity invested in Bpifrance, the Supervisory Board has decided to set up a special committee to monitor this entity and track its growth and development in 2014 in line with the strategic plan submitted to it.

Our second priority is providing solutions to those of our citizens who are experiencing housing problems. The Supervisory Board will monitor the Group's flagship programmes especially closely: relaunching housebuilding programmes financed out of the Savings Funds; calls for tenders put out by SNI group for the construction of 10,000 units of social housing and 10,000 units of intermediate housing; and the development of a collective annuity scheme that will restore purchasing power to retired home-owners.

The Group has also opted to invest in two key areas of strategic importance for the future of the country. First, infrastructure development with a specific focus on digital and sustainable development projects that reduce regional inequalities. Second, the switch to alternative energies and eco-friendly solutions as a pioneering developer in retrofitting and renewable energy projects. As manager of the Investments for the Future programme, CDC is a major force for innovation. Indeed, the Supervisory Board believes that it is essential to simplify this programme because excessive centralisation and complex administrative procedures are hampering implementation.

Despite the Group's sometimes cautious image, Caisse des Dépôts continues to grow its footprint in foreign markets through its major subsidiaries who are using international development as one of their key growth drivers. As an investor, the Group has multiplied international partnerships with Emirati, Qatari and Chinese sovereign wealth funds (a partnership with a Russian sovereign fund is also in the pipeline) that will provide the foreign capital needed to finance French business and infrastructure. Deals with European funds are also under discussion, such as with the German KfW development bank. We will need to be careful that the Green Paper currently being prepared by the EU Commission safeguards a European model for long-term financing of the economy and that long-term investment

does not get lumped in with the traditional banking sector as some would like to see happen.

This plan should also aim for a more aggressive portfolio management strategy and a more hands-on approach to subsidiaries facing serious industrial challenges.

We were delighted at the turnaround in Transdev's fortunes which began in 2013 and even fierce competition from within France appears unlikely to undermine its solid growth trajectory. As regards SNCM, a very costly venture inherited from our predecessors, Caisse des Dépôts has never intended to reinvest in this company's capital. Solutions are emerging and we are analysing the possibility of financing the cost of new ships but the Supervisory Board will be unyielding in its defence of its own patrimonial interests.

The Finance division is now an integral part of Caisse des Dépôts' business model and one of the Supervisory Board's major concerns in 2014 will be to ensure that SFIL is operating effectively and meeting the investment needs of local and regional authorities, and that Banque Postale is meeting its investment objectives. As regards CNP Assurances, BPCE will have to bear the costs of any decision not to renew the existing partnerships. In the ongoing negotiations, CNP Assurances' business model will be considered at its fair value and no unbalanced arrangements will be permitted, particularly concerning in-force business.

Lastly, we should highlight the French Parliament's unstinting support for Caisse des Dépôts. Entrusting us with management of the new Personal Training Account programme covering some 25 million beneficiaries and 1.2 million businesses as well as inactive bank accounts and unclaimed life insurance policies, once again makes Caisse des Dépôts' historical role as a fiduciary manager of funds one of its core strategic focuses.

In the course of 2013, the Supervisory Board used all of its influence to defend the patrimonial interests of the Group and to secure even more support for economic development in France. As we look back on the past year, we need to review the Committee's role going forward in 2014 to enable it to fully perform the duties entrusted to it by the French legislature.

I would like to pay special tribute to Jean-Pierre Jouyet, who has presided over the Group's transformation these past two years and changes at the top of the Group's governance structure will not alter the roadmap we have devised. Instead they merely reflect the continuing action in the service of national development underpinned by this unique long-term investment business model which the Supervisory Board strives to safeguard and protect on behalf of the French Parliament.

The key strengths of Caisse des Dépôts Group are the diversity of its financing solutions and the dynamism of its teams."



Pierre-René Lemas

Chairman and Chief Executive Officer of Caisse des Dépôts

You were appointed as Chairman and Chief Executive Officer of Caisse des Dépôts a few weeks ago, what are your first impressions?

Myself and Caisse des Dépôts go back a long way! From Robert Lyon to Jean-Pierre Jouyet, I have worked closely with teams from Caisse des Dépôts in the positions that I've held. The key strengths of the Group are the diversity of its financing solutions and the dynamism of its teams, not forgetting the core values that have shaped its actions over the past two centuries: public faith, the public interest, a long-term perspective and a proactive approach. The guarantee provided by the French Parliament represents the cornerstone of Caisse des Dépôts' independence.

I would like to pay tribute to the achievements of all of the teams that worked alongside Jean-Pierre Jouyet – this Business Review is a testimony to their work. In particular, I wish to highlight the success of Bpifrance's first year of business, the creation of €20 billion in Savings Funds loans for local and regional authorities, and the launch of Foncière Rénovation Montagne, a company dedicated to the renovation of tourist accommodation in mountain resorts.

I have been struck by the wealth of ideas together with the proactive approach of the teams that worked so hard to get these projects over the finishing line. In each of these examples, we are not merely talking about setting aside a sum of funding — in just a few short months, Caisse des Dépôts was once again able to leverage all of its expertise and partner networks to help devise projects and financing solutions tailored to national economic challenges.

Putting aside what has been achieved in 2013, how should Caisse des Dépôts deal with France's current economic situation?

Caisse des Dépôts recast its priorities in 2013. On the back of a collective effort that lasted a number of months, the Group has come up with realistic and ambitious strategic policies that use Caisse des Dépôts' long history to provide a platform for the future and a flexible framework for devising solutions to pressing economic issues.

I wholeheartedly subscribe to the analysis that underpinned this whole process, particularly the need for Caisse des Dépôts to have a solid yet more tightly structured balance sheet than before. I am also 100% committed to our sector-based priorities, namely business development, housing, the energy transition, infrastructure (including digital infrastructure) and the Group's role as depository and legal trustee. This is the way forward for Caisse des Dépôts and the structure of this Business Review highlights these new priorities.

Each priority is underpinned by specific challenges.

In terms of business development, Bpifrance needs to step up and demonstrate the value it can add to the economic redevelopment process; Caisse des Dépôts will intervene directly as an equity investor, particularly in the real estate and digital sectors.

We have been investing in housing and infrastructure for decades now and we intend to develop new financing solutions adapted to current challenges. The energy transition is one of this century's great opportunities. Caisse des Dépôts has been experimenting with various solutions in this domain for the past ten years and we intend to up the tempo.

Fiduciary management is also one of our core businesses and we aim to leverage all of our renowned expertise to become a leading manager of public sector schemes and funds.

But will Caisse des Dépôts be able to handle all of these challenges at the same time?

Caisse des Dépôts' business model has demonstrated considerable resilience even as the country goes through a period of major economic change. Its financial results and the return to profit in 2013 bear this out: Caisse des Dépôts posted attributable net profit of €2.137 billion for the year and attributable equity at €27.5 billion (including unrealised capital gains), a return to pre-financial crisis levels.

Nevertheless, persistent historically low interest rates automatically take a toll on our recurring earnings and the rules concerning the payment of dividends to the French State mean that, even in a good year, the increase in our regulatory equity is fairly moderate. In any case, we have invested over half of this equity in Bpifrance and La Poste.

So Caisse des Dépôts' business model is a robust one but we need to be more selective in our actions and one of the major virtues of our new strategic priorities is that they help us in this task.

What are your priorities for 2014?

In any institution that is part of a country's economic lifeblood, I believe it is important to avoid a complete break with the past, to maintain direction and to trust in the teams with whose expertise, energy and sense of the public interest I have long been familiar.

So Caisse des Dépôts' business model is a robust one but we need to be more selective in our actions and one of the major virtues of our new strategic priorities is that they help us in this task."

My objective is therefore to implement the strategic policies. Naturally, I will adapt them along the way if necessary, but my priority is to see that they become a reality in all of the different businesses.

As part of this process, I believe that the investment criteria of Caisse des Dépôts and its subsidiaries need to be clarified and I am convinced that CDC should leverage the expertise of the subsidiaries to a greater extent when serving the public interest.

I will continue to challenge the Public Institution to become more modern - I use the word challenge because, at a time when central government and local authorities are being asked to make considerable efforts, Caisse des Dépôts also needs to show exemplarity. We need to pave the way for new innovative and competitive solutions, especially in our historic legal trustee and fiduciary management businesses, and enhance the quality of the service we deliver to our customers.

This can only happen with everyone on board and a management approach that is underpinned by trust, empathy and accountability.

Caisse des Dépôts is a solid edifice that puts renowned financial acumen and leading-edge technical expertise to work in the wider business world. It combines the strengths of the public sector with the drive of industry. It is firmly focused on local and regional development with an eye to international growth. This is the model that I wish to preserve and develop.

We have a crucial role to play in serving the public interest!

Overview of Caisse des

127,000

65,000

1 PUBLIC INSTITUTION **20 SUBSIDIARIES**



ATTRIBUTABLE EQUITY

CONSOLIDATED **ASSETS**

ATTRIBUTABLE PROFIT

FINANCIAL RATING(1)

E27.5 E143 E2.13 AA4 (FITCH) AAT (MOODY'S)

(1) at 15 November 2013

E20.7 BILLION

Dépôts Group



2 LEVELS OF OPERATION:

LOCAL AND REGIONAL INITIATIVES

With a network covering the entire country,
Caisse des Dépôts uses its expertise to boost
the economic competitiveness and cohesion of
France's regions. By tailoring its offering to local
requirements, it has become a key partner for
local authorities.

INTERNATIONAL DEVELOPMENT

The Group is growing its international footprint through a network built up using sovereign wealth funds, international long-term investors and the unrelenting quest for new growth opportunities for its subsidiaries (particularly CNP Assurances, Egis and Transdev).





11 BUSINESS LINES

E274.4 MILLION INVESTED IN REGIONAL PROJECTS

Tandates and defosits
[mourance
Real Estate
Conforate finance
Regional suffort
Transfort and infrastructure
Environment
Leisure and tourism
E-trust services
The Knowledge-based economy
[International finance

A new strategic framework

As part of Caisse des Dépôts' drive to improve efficiency, a number of overriding priorities have been selected to reflect its new positioning strategy in phase with the expectations of the various stakeholders and urgent national priorities.

NEW PRIORITIES



Leading manager
of Jublic sector
schemes and
funds serving
the Jublic interest

A GLOBAL PERSPECTIVE OF BUSINESS DEVELOPMENT

The Group is wholeheartedly committed to helping businesses to grow:

- Bpifrance is spearheading the Group's mission to finance the development of SMEs and mid-caps;
- an institutional investor geared up to meet the financing needs of both listed and unlisted companies;
- support for the social economy and solidarity sector;
- stimulating initiatives to boost innovation, intellectual property development and technology transfer.

Partnering
business
development and
faving the way
for enhanced
competitiveness

FIDUCIARY MANAGER

Caisse des Dépôts' mission as depository for private funds and legal trustee are part and parcel of its very identity. The need to protect funds through impartial, ethical management is greater than ever and the Group has consolidated its position of fiduciary manager by securing new investment mandates (pension funds, Investments for the Future II programme, Personal Training Account programme, etc.).

15

for the Group

A RENEWED COMMITMENT TO HOUSING

Caisse des Dépôts plays a central role in drumming up investment among the different stakeholders in the housing sector:

- contributing to the national housing effort;
- finding solutions to specific housing needs (students, the elderly, etc.);
- · promoting social and functional diversity;
- urban regeneration.

DRIVING THE ENERGY TRANSITION

The Group is mobilising its financing resources, its subsidiaries and the tools at its disposal in support of public policies that facilitate the switch to alternative energies and eco-friendly development solutions:

- energy efficiency, production and distribution networks;
- showcasing and protecting natural resources.

A BIG PLAYER IN SUSTAINABLE INFRASTRUCTURE AND MOBILITY

Caisse des Dépôts is a leading player in delivering financing and engineering solutions for infrastructure projects and devising sustainable development policies:

- developing sustainable infrastructure to boost regional competitiveness;
- · partnering sustainable mobility policies;
- modernising the tourist infrastructure;
- providing digital infrastructures for the whole country.

Steffing up the production of new housing

Speeding up the energy transition

Developing
mew infrastructures
in the digital,
sustainable
transfort and
tourism sectors





Enterprise

→ Financing business development is a key priority for Caisse des Dépôts. By helping SMEs and mid-caps to grow, the Group is fulfilling its primary mission, namely to support the country's economic development. Bpifrance, the Group's biggest subsidiary, is spearheading this strategy. The Group is also heavily committed as an institutional investor via its subsidiaries Qualium Investissement and CDC International Capital. Caisse des Dépôts is continuing to partner the social economy and solidarity sector and micro-businesses – a dynamic area with huge potential for job creation – and has increased its investment in research and innovation.

Okabé near Paris, which doubles up as a shopping centre and business centre, is a good example of a Group initiative to foster an SME ecosystem.

Corporate finance

Caisse des Dépôts strives to meet the financing needs of French businesses by delivering a wide range of solutions targeting segments that sometimes tend to be neglected by the market: seed funding for innovative projects, development of SMEs and mid-caps, buy-out phases of SMEs, etc.

Bjýrance = Oxeo + SiF + Regional SiF + CDC Entreprises

Emergence of Bpifrance as a major player

Bpifrance was created in 2013 through the merger of Oséo, CDC Entreprises, SIF and Regional SIF to deliver financing solutions adapted to each critical phase in a business's development.

The structuring phase continued apace in 2013 with the creation of the Executive Committee, regular meetings of the Board of Directors and the national and regional steering committees, the launch of a regional Bpifrance network, validation of the strategy by the French Parliament, and the resolution of legal and financial matters.

In a still-fraught business environment, Bpifrance deployed its complete financial arsenal to fulfil its role as a major lender and play a counter-cyclical role by providing finance and correcting market imperfections. Bpifrance leverages its 42 regional offices – where 90% of decisions are taken – to support public policies designed to help businesses grow, boost regional and national competitiveness and kick-start French industry. It is presiding over the reorganisation of

business sectors deemed to be of strategic importance with a special focus on high-potential industries and alternative energies.

Bpifrance's business is equity or quasi-equity financing, short-, medium- and long-term lending, financing innovation and providing a full range of export financing solutions. Bpifrance partnered almost 80,000 businesses in 2013.

It also entered into 2,800 medium- and long-term co-financing arrangements - a good example of Bpifrance's role as major lender and counter-cyclical force - and there was a big increase in the number of such arrangements in the renewable energy sector. There was a big surge in traditional factoring business with authorisations signed for an amount of €3.3 billion and, beginning in March 2013, Bpifrance arranged prefinance totalling €800 million as part of the tax credit to aid competitiveness and promote employment (Crédit d'impôt pour la compétitivité et l'emploi - CICE) pre-finance scheme.

Guarantees worth €3.8 billion were given on loans totalling approximately €8 billion but these lower levels of

business were offset by the boost from the National pact for growth, competitiveness and employment. An increase in the number of regional partnerships generated an increase of over 20% in business from regional debt guarantees.

In the investment business, funds of funds attracted a massive €444 million in 2013. This was invested in 41 partner funds where it helped to provide capital financing totalling €2 billion. Business was particularly strong in innovation and venture capital. Bpifrance also invested a total of €87.6 million in 15 regional or inter-regional funds in 2013, including eight new funds. Equity investment in SMEs held up well in spite of the tough market and €121 million was invested during the period. Other notable highlights in 2013 included the launch of funds for investing in superior expertise (FSFE, €20 million), the rail sector (Croissance Rail, €40 million) and the nuclear sector (FDEN, €133 million).

Equity investments in mid-caps amounted to €367 million in 16 separate operations. Innovative equity financing (via five funds: InnoBio, Biothérapies Innovantes et Maladies Rares, Écotechnologies, Ambition numérique and Large venture) pumped €111 million of investment into 35 different operations, i.e., a total amount of €750 million for innovation-related aid and financing.

Bpifrance now has an ambitious strategic plan covering the period through 2017 designed to enhance its role as a catalyst for growth and jobs.



Reaching out to businesses

Bpifrance for Western

Ile-de-France

Tell us about the creation of Bpifrance in 2013...

Basically, it was fast and straightforward. Between preliminary notice of the project and its completion, it took less than a year for Bpifrance to emerge. It's a fantastic achievement, especially when you consider that the whole process was fully transparent from a customer perspective.

Could you give us an initial assessment from a customer perspective?

The overriding objective was to create a powerful one-stop shop in each region to partner French businesses in the areas of innovation, investment,

cash management, equity financing and the export market, and it's now a reality! Entrepreneurs already enjoy a complete range of services in all of Bpifrance's 25 regional offices. Customers realise the benefits involved and the feedback has been extremely positive. We are also working closely with the regions and with our financial, banking and investment partners.

What are the priorities for 2014?

Doing everything it takes to get the economy moving again! Our 500 business managers are busy telling businesses all over France about what we can do for them to encourage them to invest, innovate and tackle international markets. In 2014, we want to do more business with more businesses! More equity financing, more short-term loans, more development loans, more innovation incentives and more export financing.

"When selecting its investments, Caisse des Défots analyses the associated long-term risks and rewards as comprehensively as Jossible. Beyond Jurely Jinancial criteria, its analysis also factors in environmental, social and project governance criteria. (Caisse des Défots Grouf Resjonsible investment Charter)."



As the leading equity financing group, Caisse des Dépôts partners both listed and unlisted companies

The Group is a heavyweight corporate financier. As an institutional investor, it uses both its own funds and savings funds and it also acquires equity investments through its subsidiaries, CNP Assurances and CDC International Capital. Caisse des Dépôts has funded €18.6 billion worth of equity and €4.7 billion worth of debt in French businesses. It acquires direct equity stakes in listed SMEs via the CDC PME Croissance fund (€1.4 billion in net asset values) and has also pioneered

THE €1 BILLION NOVO BOND FUNDS FOR FINANCING SMES AND MID-CAPS

The Novo investment funds were set up at the initiative of Caisse des Dépôts (€100 million) and 17 major insurers, including CNP Assurances (€100 million). They have received the support of the French insurance federation (FFSA) as well as investment from two major public sector pension funds, FRR (Fonds de Réserve pour les Retraites) and ERAFP (Etablissement de Retraite Additionnelle de la Fonction Publique). They are the first large bond funds created specifically for the purpose of financing SMEs and mid-caps.

market innovations such as the Novo bond funds for financing SMEs and mid-caps. CNP Assurances invests in major French listed companies (€9.3 billion in equities and €35 billion worth of bonds) and unlisted companies (commitments of €3.1 billion at end-2013, including net book value investments of €1.6 billion). CNP Assurances is also carrying over €17.3 billion worth of debt issued by public sector companies and agencies. The Strategic Equity Fund, which CNP Assurances helped to create in 2012 combines the financial clout of four major French insurers. It made its first big investments in 2013 in two leading French companies, Arkema and the SEB group.

A strong year for Qualium Investissement as it celebrates its 15th anniversary

As it celebrated 15 years of AMFaccreditation, Qualium Investissement, which is specialised mainly in corporate buy-outs, had a very busy year and was involved in six transactions. It acquired Invicta (thus facilitating the buy-out of a familyowned group created in 1924) and Atelier Mériguet (specialised in decorative paints and classified as a "living heritage company"). Three divestments were completed: Socotec, Tournus Equipement and Carré Blanc. In order to provide its portfolio businesses with more effective support in four key regions - the Middle East, Eastern Europe, Latin America and Asia - Oualium Investissement extended its Qualium SME network and formed four

key partnerships in Qatar, Brazil, Russia and China with local companies who help with preparing tenders and finding partners in their respective markets.

Launch of CDC International Capital

In early 2014, the Group launched CDC International Capital to harness foreign capital (sovereign and institutional investor funds) to finance national economic development. CDC International Capital is also part of the Group's strategy to encourage long-term foreign investors to partner the development of our businesses, especially in international markets, and to invest in infrastructure and real estate as well. It works by developing investment joint ventures with foreign sovereign wealth funds and three such vehicles have already been set up with partners from Oatar, United Arab Emirates (see insert) and Russia. They are organised around a flexible investment partnership with close links to co-investors and often have specific investment strategies due to tax or operating constraints (e.g., category of assets targeted).



Yonel Genin

Director, Member of the Executive Committee of CDC International Capital

The €300 million Franco-Emirati investment fund, owned in equal proportions by CDC International Capital and the Mubadala sovereign fund, aims to invest in listed and unlisted companies, infrastructure and real estate projects, mainly in France. More specifically, potential projects will be vetted in renewable energies, the digital economy, services, healthcare, real estate, and the minerals and hydrocarbons sectors.

The partnership with Mubadala is part of a medium to long-term investment strategy covering a five to ten-year investment horizon.

>> Attracting Joneign investment in French businesses

Renewed support for enterprise development

By stimulating micro-businesses and the social economy and solidarity sector, Caisse des Dépôts is helping to forge an economy that creates both jobs and added value. In addition to existing initiatives, Bpifrance is gradually ramping up its involvement in this sector in accordance with its legislative brief.

Business start-ups

Caisse des Dépôts supports enterprise development, especially equity financing, and provides proper support to project sponsors by partnering associations and cooperatives specialised in husiness start-ups

specialised in business start-ups. It deploys its own resources in the service of public policies by providing the investment and expertise needed to develop and professionalise these networks and enable them to gain the necessary recognition, particularly in distressed regions. It also seeks to foster an entrepreneurial mindset among young people through an awarenessraising initiative deployed in around 30 universities and specific funds have been created to support female entrepreneurs. Caisse des Dépôts tops up around 320 funds to provide interestfree, "on trust" loans to people wishing to create or take over businesses that are not in a position to provide personal guarantees. In partnership with the regions, it has helped to set up funds to finance innovation, buy-outs or seed development. The "Nacre" scheme, which is match-funded by the Savings Funds, is designed to partner unemployed people wishing to set up a company or buy out an existing business, from the pre-project phase through the first three years of the new

business venture.

Lastly, Caisse des Dépôts manages the Social Cohesion Fund on behalf of the French government which pays into regional and sector-related debt guarantee funds that help provide loans to those entrepreneurs with the least resources. Individuals who would not stand any chance of obtaining a traditional bank loan may use this scheme to obtain a micro-loan. It combines a loan granted by a bank and guaranteed by the Social Cohesion Fund with ongoing help from an

The social economy and solidarity sector

financial exclusion.

association tasked with combating

Caisse des Dépôts partners governmentsponsored programmes and initiatives run by associations such as France Active or Avise (an agency that develops ventures in the social economy). It uses both its own funds and the Investments for the Future programme to build up the equity of, and provide bank guarantees to enterprises that aim to re-integrate people through work and entities operating in the social solidarity sector. CDC partners organisations like France Active and IDES (a private equity fund that focuses on the social economy) and has bought into the capital of regional

The social economy and solidarity sector creates jobs that will not go elsewhere

venture capitalists specialised in the sector.

Caisse des Dépôts also sponsors a total of 105 local support initiatives that provide outreach associations and cooperatives throughout France with expertise and advice.

Bpifrance is developing new funding solutions for the social economy and solidarity sector that should launch in 2014. It has already set up a digital platform to help investors and project sponsors with networking and crowdfunding (tousnosprojets.fr).

Sensitive areas

Caisse des Dépôts' Programme for sensitive areas aims to help local authorities and their partners build a better environment for business start-ups and enterprise development as a means of stimulating growth and employment. The Group steps in to finance studies and provide experts and it also co-finances business start-up support programmes, i.e., basic services, business and employment cooperatives, business incubators, etc.



Micro-loans as vectors for strengthening social ties

How does Caisse des Dépôts' support for local economic policies actually work in Limousin?

Limousin has a strong network of micro-businesses and unemployment of less than 10%, and businesses here have an excellent rate of survival beyond three years. In 2013, the Limousin Region and Caisse des Dépôts streamlined the support and financing packages that they coordinate and finance, respectively, i.e., Nacre, "Objectif Création" and the "loans on trust" funds for business buy-outs and innovation. In March 2013, a Regional action plan to promote female entrepreneurs was launched by central government and the Limousin Region involving 31 partners working on 14 initiatives.

How have micro-loans been developed in the region?

Three general councils (*Conseils généraux*) work together to cover the whole region: nearly

1,000 micro-loans have been given out since 2009. The Conseil Général de Corrèze has also been providing business micro-loans since 2009 and the Conseil Général de la Creuse has been providing housing micro-loans since 2013. There is a very effective support network in the Haute-Vienne department thanks to the efforts of Secours Populaire 87 and Restaurants du Cœur 87.

Why does Limousin provide fertile territory for the social economy and solidarity sector?

According to a 2012 study conducted by Recherches et Solidarités, Limousin is the French region which is most conducive to the social economy which accounts for 18% of all employment. The region's recent social history and strong labour roots made it a pioneer in mutual societies, cooperatives and trades unions. This economy brings genuine solidarity to the area as well as strengthening social ties, and it is a source of experimentation, innovation and attractiveness. A regional joint investment fund was created in 2013 that provides equity loans at 2% and the finishing touches are being put to a new financing solution targeting enterprises in the social economy that are experiencing difficulties.

Innovation: a vector for economic competitiveness

The Group seeks to develop a research eco-system that forges links between the public and private spheres as well as between research and business. It does this by creating competitive clusters comprising universities, research institutes and businesses specialised in certain technologies, through accelerated technology transfer companies (Sociétés d'Accélération du Transfert de Technologies – SATTs) or through the intermediary of France Brevets.

The increasing importance of SATTs throughout the country

Accelerated technology transfer companies work directly with research institutes to detect potential innovations and finance the pre-production phase before transferring the related intellectual property either to an existing company or to a start-up. The Investments for the Future programme has already pumped €900 million into 14 SATTs in a bid to optimise technology transfer in French universities. Under the programme, Caisse des Dépôts acts as leading shareholder on behalf of the State with a stake of 33%. 12 SATTs out of 14 have been set up, including three in 2013 which ended with the creation of the Lyon Saint-Étienne SATT. The SATTs are spread throughout France and help showcase and develop the findings of public research institutes, French universities and the CNRS.

Emergence of first pooled innovation platforms

Pooled innovation platforms pool resources (equipment, personnel and

related services) on an open access basis as part of competitive cluster arrangements. They make it possible to carry out R&D projects with significant economic benefits and they may be used right up to the production and marketing phase. Since 2011, project sponsors selected as part of the Investments in the future programme have been conducting the engineering work necessary to pave the way for the platforms. The first platform, known as Improve, went live in July 2013 in Dury (Picardy) and in early 2014 it was followed by Ecotox and Inovsys in the Rhône-Alpes and Provence-Alpes-Côte d'Azur regions, respectively.

The development of France Brevets

France Brevets invests in intellectual property rights stemming from public and private research, reorganises them into technology clusters before licensing them to businesses under market conditions to boost revenue streams from intellectual property and to safeguard the operating rights of the businesses in question. In 2013, France Brevets concentrated primarily on

14 fully-validated SATTS 12 operational SATTS strengthening its portfolio in wireless communication technologies – especially those used in mobile phones – through agreements negotiated with public research bodies and notably a framework agreement with the SATTs.

Strengthening ties with higher education

Caisse des Dépôts continues to work to make French universities more attractive and to develop the knowledge-based economy. On 11 April 2013, the @venir campus agreement was signed with the Ministry for Higher Education and Research and the partnership with the Association of University Presidents (Conférence des Présidents d'Universités) was renewed in early 2014.

E-learning is now recognised as a key aspect of the attractiveness of the universities of the future and Caisse des Dépôts helped the Conservatoire national des Arts & Métiers to devise its lifelong e-learning strategy. The last remaining university property development plans and studies were finalised in 2013 and Caisse des Dépôts has now helped around 12 campuses to prepare their sustainable planning and renovation programmes. Going forward, CDC will partner the campus development project for the European University of Brittany, an innovative programme that will combine digital and real estate development with the relaunch of the campus development project in 2014.

"In terms of financing and innovation,
Bji/rance invests in the capital of innovative
businesses and administers third-farty
funding, notably government grants and
refayable advances."

Coumba Thioune

Head of regional development at the Picardy regional office



IMPROVE (Institut Mutualisé pour les PROtéines VEgétales) aims to become European leader in the marketing of plant-based ("green") protein. The project is backed by four key industry players (Téréos, Sofiprotéol, Siclaé and In Vivo) eager to pool their research into the commercialisation of green protein and tap into the expertise of the University of Picardy Jules Verne, the centre for the commercialisation of natural carbohydrates and products, and the French national institute for agricultural research (Institut national de recherche agronomique - INRA). IMPROVE aims to develop new industrial applications for the green protein produced by French and European farmers (wheat, maize, rapeseed, peas, lupin, alfalfa, potatoes and other crops) that represents a combined potential reserve of some 28 million tonnes of protein that has barely been tapped at present. It will help to open up new markets in the traditional food and animal feed sectors. as well as in emerging sectors such as bio-sourced materials and cosmetics.







Housing

ightarrow The scarcity of housing continues to grow more acute, particularly in underprivileged areas. Caisse des Dépôts Group attempts to give renewed impetus to construction through its role as financial backer (chiefly via the Savings Funds), operator (via its subsidiary SNI) and advisor to government bodies.

The Group endeavours to meet the specific nature of today's housing demand, defined by the needs of an ageing population, of students and of young professionals, as well as by the need for first-level social housing for disenfranchised populations and housing solutions for middle-income earners, thereby giving a much-needed boost to the housing market. Caisse des Dépôts is also involved in renovating the existing housing stock within the broader scope of energy transition, urban regeneration and sustainable city projects.

The Ile de Nantes urban regeneration project harnesses the full range of the Group's expertise.

Helping to kick-start construction in France

Caisse des Dépôts Group actively supports the French government in its aim to build 500,000 new housing units – including 150,000 social housing units – each year. This renewed building impetus should cover all types of housing and be particularly pronounced in areas where the shortfall is the most acute. It will also help kick-start an industry which is an important source of jobs.

Financing social housing: a record number of loans granted

The Savings Funds play an increasingly critical role in financing social housing. In 2013, Savings Funds loans helped create 110,000 housing units and places in special accommodation units. Loans granted to social housing and urban planning projects in 2013 hit a new record high of €16.4 billion.

Marion-Anne Macé

Head of rental social housing at Caisse des Dépôts



2013 was an outstanding year for Caisse des Dépôts in the social housing sector, not only because the number of Savings Funds loans hit a new record high, but also because unprecedented measures were taken to tackle the government drive to dramatically increase the housing supply. One of these measures consisted of the exceptional payments awarded to projects eligible for PLUS/PLAI social housing loans, where the loan applications were received by Caisse des Dépôts between 1 August 2013 and 30 April 2014. The thinking behind this measure is to boost construction activity, since the exceptional payments are awarded on a fixed-amount basis by reference to the number of housing units built. What's more, provided that a work order has been issued, the exceptional payments will only be made if no more than 24 months lapse between the loan application and the first payment made under the loan.

For more information, go to www.racdc.fr/mam

Financing activity was particularly brisk in the year in the wake of the "PACTE HLM" social housing agreement, which established a system whereby social landlords can pool their finances, and the cut in interest rates on loans as from 1 August 2013. The State also undertook a series of measures in July 2013 with a view to supporting and facilitating construction. These included an exceptional payment from the Savings Funds totalling €120 million for projects awarded PLUS/PLAI social housing loans in the year. This brisk activity is remarkable considering the slowdown in the construction sector at large. Although social housing on average previously represented 15% of all housing units built in a given year, this percentage grew to 33% in 2013 and was even at 50% in the Ile-de-France (greater Paris), Nord-Pas-de-Calais, Champagne-Ardenne and Upper Normandy regions. To ensure that this momentum continues, the Savings Funds have set up a system to support all social landlords in their development projects, drawing on government-backed mechanisms (extension of mortgages to 60 years in areas where the shortfall is most acute, financial consolidation loans



assisting social housing operators in difficulty, etc.) and on the optimisation of certain project financing plans.

SNI's deep-seated commitment

SNI, a wholly-owned subsidiary of Caisse des Dépôts, began construction on almost 6,600 housing units, including 3,900 social housing units and 2,700 housing units for middle-income earners. SNI plans to further expand its construction activity between 2014 and 2018, and is aiming to produce 4,000 social housing units per year, 3,400 of which will be in areas with an acute housing shortfall.

In an effort to boost construction, in January 2014 SNI launched a project to build 20,000 housing units – 10,000 social housing units and 10,000 units for middle-income earners – involving a total investment of over €3 billion. This project is banking on institutional investors returning to the market for financing middle-income housing and SNI is working to help bring this about.

The "Argos" call for projects, for example, involving the construction of 10,000 housing units for middle-income earners, represents a potential investment of €1.75 billion, including €875 million from institutional investors.

[cade builds over 4,000 housing units per year



A true profession

(SNI group)

The SNI group plays an active role in promoting the construction of new housing units in France. Day in, day out, the group's project managers on the ground coordinate from A to Z the projects that will become tomorrow's homes. We present a view from the front line.

You are a project manager for the SNI group. What does this involve?

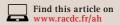
There are many different aspects to my job. I coordinate and manage different teams throughout construction projects - from identifying suitable land to final delivery - and projects to renovate social housing. I help carry out feasibility studies on both new construction and renovation projects. I am responsible for execution and tracking (for both intellectual and/or building services), and I also monitor financing at the different design and operational stages of the project. I also have to track the progress of building work, receive and deliver projects and monitor the completion guarantee. At SNI, we are responsible for ensuring that the projects we manage are on track in terms of deadlines and budgets, and are of the high quality we demand. On average, I manage two projects at different stages for every 100 housing units built.

What does your work mean on a day-to-day basis?

It's a people-focused job where you need to be close to the areas where you are building and the people who live in it. You have to be inquisitive and also firm, because you often find yourselves having to cut a path between competing interests (companies, local politicians, tenants, and so on).

My job is also one of project ownership, requiring technical expertise and a sound knowledge of the regulatory environment as it affects the building industry, as well as the capacity to change with the industry. I have to be able to identify the right people for the job (architects, surveyors, supervisors, etc.) and coordinate them to ensure that the project progresses smoothly — so being a team player is essential.

It's a fascinating job from many perspectives and a true profession, allowing me to play my part in fulfilling SNI's commitment to provide housing.





Several investors have already made their interest known. This project reflects SNI's strategy of tackling shortages across the entire housing market head-on, from first- and second-level social housing to housing for middle-income earners. Pressure on the existing social housing stock will be notably lighter if more affordable housing is available for middle-income earners. This strategy is reflected in the broad spectrum of construction projects currently in progress. The aim is to make it easier for residents to move from one housing category to another, and for first-time buyers to find affordable homes.

SNI has also devised a strategic energy plan with ambitious qualitative and

Digital Fort (Fort Numérique) eco-neighbourhood is a 2013 flagship project signed EFIDIS and SNI Ile-de-France, SNI group subsidiaries. The 329 rented social housing units in Le Belvédère, La Villa (pictured) and Le Bastion residences are part of a vast multi-faceted project developed by the town of Issy-les-Moulineaux, combining respect for the environment and leading-edge technology in a lively, convivial setting.

Christened the Digital Fort in reference to the link it provides between the past and the future, the eco-neighbourhood is built on the site of the old Issy Fort, whose buildings were demolished between 2009 and 2010.

environmental targets. Since 2010, all new construction projects carry the BBC energy-efficient building label. An increasing number have the eco-friendly Habitat & Environnement certification. In conjunction with the Scientific and Technical Centre for Construction (Centre Scientifique et Technique du Bâtiment), SNI has also developed EVE, a tool which manages the overall environmental footprint of its construction projects.

Meeting a broad range of needs

While the supply of affordable housing has to be increased, this cannot be done without taking account of new needs arising from changing social and demographic trends. And the needs of very specific populations also need to be addressed, including the elderly, students, young professionals, and the underprivileged.

Adapting homes to the ageing population

France will have 10 million people aged 75 and over in 2040, and yet 94% of the existing housing stock is not suitable for the most vulnerable elderly people. Based on the recent report published by the French national housing association (Agence nationale de l'habitat – ANAH) and the French general pension fund (Caisse nationale de l'assurance vieillesse - CNAV), only 6% of housing is adapted to the needs of the elderly. To address this, Caisse des Dépôts works to expand the supply of suitable homes to accommodate this segment of the population. In 2013, the Savings Funds granted almost €1 billion in loans to institutions dedicated to the elderly, primarily public health facilities. While over 9.000 new accommodation units were created, efforts were also particularly focused on modernising and rehabilitating existing facilities (5.000 units were rehabilitated in 2013). Caisse des Dépôts has also formed consortia with property developers and operators in order to submit proposals within the scope of calls for projects put out by regional health agencies for new accommodation capacities in EHPAD care homes (établissement

d'hébergement pour personnes âgées dépendantes). Two such proposals have already been successful: in Donzère (Drôme) in 2012 and in Draveil (Essonne). SNI is also adapting its housing stock to enable elderly people with disabilities to continue living at home, and is also involved in building EHPA and EHPAD care homes.

Bringing generations together

Caisse des Dépôts endeavours to design innovative solutions that bring different generations under the same roof. SNI has opened two such residential facilities in Bussy-Saint-Georges (Seine-et-Marne) and Plessis-Pâté (Essonne). These facilities are designed to house families and young professionals as well as the elderly. A series of common areas have been planned. SNI's subsidiary EFIDIS has signed an agreement with the "ensemble2générations" association aimed at promoting intergenerational living. Students live affordably in the homes of elderly people and this in turn gives the elderly the human contact they so often need. Icade, whose property development business represents around 4,500 housing units per year, has launched new projects such as Agora in

Montaigu, winner of the "Vivre ensemble" intergenerational prize in 2013. This project will build a residential facility featuring social housing, flats for sale to first-time buyers and an EHPAD care home. The facility will be interconnected and benefit from integrated services. In Montpellier, Icade has built Les Grisettes, a 7,500 sq.m. service hub in the eco-neighbourhood of the same name. The six-storey building features an EHPAD care home and specially adapted rental accommodation, along with a company crèche, a nursing home and a leisure centre.

Expanding the supply of housing for students and young professionals

Caisse des Dépôts helps to develop the supply of affordable housing to address the shortage of accommodation options for students (340,000 places for 1.5 million students) and the difficulties encountered by students when seeking housing. Over €225 million in Savings Funds loans were granted to projects targeting students and young professionals in 2013 (up 11%), with more than 4,000 accommodation units financed. The SNI group is involved in similar initiatives and delivered over 930 accommodation units for students and young professionals in 2013. Work also began on another 750 such units.

Housing the most disenfranchised populations

Housing solutions also target the most disadvantaged. Through its Savings



Funds, the Group spent almost €100 million to finance emergency accommodation and shelters in 2013. SNI (chiefly through Adoma, its subsidiary) also proposes suitable housing solutions for disenfranchised populations across the country. These include social housing developments, sheltered housing, refugee facilities, stabilisation centres, emergency shelters, and accommodation and rehabilitation centres.

the 100 modular, wooden, fully-equipped 18 sq.m. flatlets are accessible to people with reduced mobility. They were designed by industrial firm BH at its factory in Vendée, France and then put together on-site at a rhythm of six to eight modules a day. This helped reduce the project's lead time to 12 months, including six months on site. The hall of residence was awarded the BBC Effinergie and Habitat & Environnement labels for energy efficiency.

Urban regeneration and sustainable cities

Caisse des Dépôts supports urban planning and regeneration policies through its tailored financing solutions. Beyond the urban fringe, it is involved in the process of designing and building tomorrow's cities, taking account of all social, economic and environmental concerns such as the responsible use of resources, quality of life, economic growth in cities, and so on.

Partnering urban policy

The portion of Savings Funds loans earmarked for urban planning and regeneration projects had more than doubled in 2012, in terms of both the amount and number of projects financed. 2013 confirmed this trend, with urban planning and regeneration loans up 27% to €1.6 billion from €1.2 billion in 2012. Excluding social housing, there was a 20% jump in projects financed, which hit the €1 billion mark for the first time. Local and regional authorities, which account for 73% of these loans, are involved in projects within the scope of the National Urban Regeneration Programme (Programme national pour la rénovation urbaine - PNRU). The amount of loans awarded to urban regeneration projects increased almost four-fold on 2012, proof of the growing functional mix in underprivileged areas.

In 2013, Caisse des Dépôts also granted €10.5 million in engineering loans and made equity investments totalling €25.8 million in the sectors identified by the agreement with the French State. These include economic, land and property development; infrastructure and equipment; economic and social

assistance; and the development of digital media. These investments often act to convince reluctant private investors to go it alone in these areas.

Caisse des Dépôts took part in the debates organised by the Ministry for Urban Affairs on the reform of designated priority areas and on the evaluation of the PNRU. It also helped set up the new PNRU programme alongside ANRU and its partners.

SNI is extensively involved in the urban regeneration programme through Osica in particular, ANRU's second nationwide operator which was awarded the "Urban regenerator" label. This label, created in 2009, is testimony to Osica's determination to think out-of-the-box in order to improve social housing and urban policy.

Promoting sustainable cities

Caisse des Dépôts Group looks to curb urban sprawl and opts to renovate existing infrastructure wherever possible. To do this, it has to tackle head-on a whole host of urban issues such as housing, mobility, service offer, local businesses and so on, drawing on



developer, independent expert, operator, and financial backer. The Group offers a broad array of tools and services to help local authorities develop high-quality urban initiatives, and has rolled out a mechanism supporting eco-neighbourhood projects. Egis has also designed engineering and consulting solutions for urban projects. Leveraging its network of semi-public companies, SCET provides operational project management assistance for sustainable development initiatives run by local and regional authorities. As a trusted partner of both public and private

players involved in urban planning and

the regional economy, it also helps local

stakeholders analyse their needs and

structure their operations.

its broad expertise as a property

There was a strong upsurge in property management projects in 2013 (up 47% on 2012), spurred by public property management institutions (Établissement *public foncier* – EPF) which received €217 million, versus €116 million in 2012. These EPFs have therefore confirmed their position as the biggest borrowers in this particular market segment, ahead of public development agencies (Entreprise publique locale -EPL). Strategic initiatives stemming from the Grand Paris development project alone account for 35% of new property loans, and the greater Paris region as a whole represents 50% of all property lending.



lle de Nantes, a city reborn

coast region at SCET

What does the "lle de Nantes" project involve?

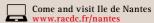
It's a project rooted in the city: the story of an old industrial district spanning 350 hectares in the heart of Nantes which is gradually being transformed into a sparkling new urban area with houses, offices, shops, transport, public infrastructure and a hospital. I hardly need to add that the challenges thrown up by this project are huge.

How do you partner such an ambitious project?

Several Group entities are involved in this project to create a new kind of cityscape, promoting the responsible use of resources, respect for the environment and care for the welfare of its residents. SCET helped to create the development company for the French Atlantic coast metropolitan area (Société d'aménagement de la métropole ouest atlantique – Samoa), the organisation piloting the project. SCET's network of 150 expert consultants offers Samoa the security and expediency it needs.

project?

The Group's multi-faceted expertise helps resolve very different but interlinked problems. Icade designed the first urban regeneration project for the island, featuring public services, offices and housing. At present, lcade is managing the project to bring university hospital facilities under one roof, ultimately creating the largest facility of its kind in France. Caisse des Dépôts is involved as an investor in housing and corporate buildings, which include a centre of excellence for the creative and cultural industries. Through a Savings Funds loan, it is also helping to fund the relocation of the School of Fine Arts to the island. A call for projects ("Digital neighbourhoods") was also launched within the scope of the Investments for the Future programme. The SNI group is building mixed housing targeting first-time buyers, middle-income earners and social housing residents, and is being supported by SCET in the area of project ownership. Egis has applied its project management expertise in infrastructure and buildings to issues regarding energy transfer in housing and offices. Transdev has established a well-served North-South bus line as well as an East-West route, both of which are linked to the existing network. In short, the Group has been invaluable in providing a global solution to the island's multiple urban planning challenges.







Energy transition

ightarrow The switch to alternative energies and eco-friendly development, or "energy transition", is one of the most important issues on Caisse des Dépôts' agenda. The Group is already a driving force in this sector and intends to continue leveraging its significant financial engineering and operational capacities in this area.

To bring added focus to its actions, it has set itself a series of priorities for the next few years. These include marshalling private funding, supporting all forms of innovation, assisting public authorities by participating in the upstream decision-making process, partnering local pilot projects on the ground, and using its own investment and financing capacities to bring about this transition.

Caisse des Dépôts Group is a major shareholder of Compagnie Nationale du Rhône, France's leading producer of renewable energy from its hydroelectric and photovoltaic facility at Saulce-sur-Rhône.

Thinking through the energy transition

The principle behind the energy transition is to gain in efficiency from both an economic and social point of view by consuming less raw materials and space. While the primary aim of the energy transition is to curb climate change and relieve the pressure on natural resources, it also has important economic benefits, helping our companies to become more competitive, reducing our trade deficit, spurring regional economic development and so on.

The energy transition is based on core actions in several areas: reducing energy consumption and using natural resources responsibly, adjusting the energy mix, and achieving a lighter environmental footprint (protecting biodiversity, stemming the deterioration of soil, fighting pollution, etc.).

Promoting innovation

Accelerating the energy transition calls for greater technological, financial and even social innovation, e.g., change in behaviour and lifestyles, etc.

Caisse des Dépôts aims to be a force for innovation in all of the sectors in which it is present. It designs new tools, finances innovative urban projects and puts in place new biodiversity offset mechanisms.

Its subsidiary Bpifrance finances innovative companies in sectors which it considers offer the most competitive potential. As part of the activities of the National seed capital fund (FNA) which it manages on behalf of the French government under the Investments for the Future programme, Bpifrance has just taken part in the fundraising for Emertec 5, a fund that is to invest in start-ups developing

ground-breaking technologies in the energy, green chemicals and environment sectors.

Moving the public debate forward

As part of its research activities – chiefly carried out through CDC Climat and the Biodiversity mission - the Group is particularly active in the public debate on energy, climate change and biodiversity at both national and European levels. In 2013, it replied to the European Commission's public consultations on the structural reform of the carbon market and on the Green Paper entitled "A 2030 framework for climate and energy policies". The Group acts as a driving force for innovation in this area and through CDC Climat organised a conference on green bonds attended by the banking and financial community as part of reflections on the new financing solutions required by the energy transition.

The Group will also be involved in preparing the United Nations Climate Change Conference in Paris to be held in autumn 2015 (COP21), for which it will put forward new recommendations for action.

As part of projects to transport gas through a pipeline in Val-de-Saône in Brittany and northern France (covering a distance of 1,000 km), Egis conducted environmental impact assessments as well as additional related studies to gauge the impact of the project on the environment and biodiversity.



Efficiency gains and energy savings

The most carbon-intensive industries are the construction and transport sectors. To help them become more efficient and therefore reduce energy needs, the Group designs and helps implement policies aimed at encouraging a more responsible use of energy.

Energy efficiency of buildings

Energy efficiency concerns both new builds – which should ensure that they are exemplary from an environmental point of view – but most importantly retrofitting existing buildings to improve their energy performance.

In the social housing sector in 2013, around €300 million in Savings Funds eco-loans were awarded to rehabilitate some 44,000 homes. Awarded over periods of up to 25 years, since July 2013 social housing eco-loans have been granted at very low interest rates to help meet the government's target of 120,000 social housing units retrofitted each year.

CDnergy, a Savings Fund project, is an online tool that was set up in 2011 to help social housing bodies manage and make the best use of the Energy Savings Certificates (CEE) they obtain. It is estimated that CDnergy has handled around €15 million worth of CEEs since 2012. In January 2014, the platform began to be rolled out to local authorities.

SNI has been operating an ambitious energy retrofit programme since 2011.

To date, 10% of its carbon-heavy housing stock has been covered by this programme, prompting a reduction of around 37% in energy consumption. SNI continued this programme in 2013, investing over €88 million in retrofit projects.

Besides social housing, Caisse des Dépôts also designs financing solutions to help speed up the retrofit process for private homes. A new guarantee fund is to be launched to make it easier for financing bodies to grant loans (see inset on page 40).

Caisse des Dépôts is also involved in retrofitting public buildings. Its subsidiary Exterimmo provides local authorities with the requisite expertise and funding to help them upgrade their infrastructure. The first such project involved the rehabilitation of a 12-class school, restaurant and nursery in Mandres-les-Roses.

Helping to make companies more energy efficient

CDC Climat's investment solutions are designed to encourage companies to upgrade their facilities – particularly

120,000 social housing units will be retrofitted each year.



Thanks to a Savings Funds loan, 494 flats in the Beaulieu district of Poitiers are being retrofitted. The aim is two-fold: to obtain the BBC Rénovation retrofit label and install solar panels that will supply power for the hot water and heating networks. The retrofit project is taking place between 2013 and 2015 in an occupied setting.

manufacturing facilities. A pilot project was carried out at Solvay's La Rochelle plant in conjunction with Solvay Energy Services and Marubeni in which financing was provided to renovate a gas turbine and replace a fuel-oil boiler with a new energy-efficient generator. This has enabled the plant to reduce its energy consumption and its carbon footprint. This type of investment has a powerful knock-on

effect on other investors and will be further developed in 2014. Bpifrance also offers attractive financing solutions (subsidised green loans) to companies wishing to overhaul their production processes and use technologies that consume fewer natural resources.

Sustainable cities and mobility

Caisse des Dépôts works to improve energy efficiency in sustainable cities and urban transport networks. Its aim is to partner local authorities in designing sustainable mobility policies and to support the development of reserved lanes for public transport through Savings Funds loans and investments.

Caisse des Dépôts and its subsidiary
Transdev focus their efforts on piloting
innovative projects such as transport
on demand, and work to promote clean
transport solutions. They also strive to
help passengers switch easily from one
mode of transport to another by
improving the information systems
available, particularly through
smartphone apps.

RETROFITTING PRIVATE HOMES

In April 2013, the French government asked Caisse des Dépôts to conduct a study on financing private-home retrofits. CDC Climat teams were involved in this project alongside a multi-disciplinary working group. Based on the recommendations set out in the mid-term report submitted in June 2013, the government asked Caisse des Dépôts to continue its efforts and pave the way for the creation of an energy retrofit national guarantee fund.

Adjusting the energy mix

Caisse des Dépôts' efforts to develop renewable energies take several forms, from direct investments in projects to investments through subsidiaries like CNR, CDC Infrastructure and Egis, or through Bpifrance, which finances companies in this sector.

Supporting the development of renewable energies

Since 2008, government bodies have set and reaffirmed ambitious renewable energy targets in the context of the national debate on the energy transition. The aim is for renewable energies to account for between 10% and 23% of all energy consumed in France by 2020. In a second agreement signed with the Ministry of Ecology, Sustainable Development and Energy for the period 2011-2013, Caisse des Dépôts was to invest - and duly invested -€135 million to develop 500 MW of new electrical power. In all, since 2006 Caisse des Dépôts has granted €294 million in financing for installations representing a total of 925 MW. The Group helped to finance around ten new projects in 2013, with an outlay of around €43 million.

Besides these quantitative targets,
Caisse des Dépôts endeavours to shape
the fabric of the small-business
landscape by lending its support
primarily to projects that will create
wealth in economically disadvantaged

It welcomes biomass projects in particular, which tend to create the most jobs. Four projects were selected in 2013, in Auvergne, Provence-Alpes-Côte d'Azur (PACA), Aquitaine and Picardy. The €30 million investment by Caisse des Dépôts had a strong knock-on effect on other investors, with total investments representing €250 million. These four power plants will be completed by mid-2015.

INFRAMED

Towards the end of 2013, InfraMed made its third investment since it was founded, spending USD 40 million to develop a greenfield wind farm project at Tafila in Jordan. This ambitious project will help meet the urgent needs of the country by harnessing the region's strong winds. InfraMed is the biggest investor in infrastructure in the southern and eastern Mediterranean.



For more information about the Group's commitments and achievements in renewable energies, see its Corporate Responsibility Report: www.racdc.fr/rse



In December 2013,
CDC Infrastructure acquired
an equity interest in the
Butendiek offshore wind farm
project in the German North
Sea. This is the biggest offshore
wind farm project to be financed
by CDC Infrastructure without
support from a utility. It therefore
marks a decisive stage in
the development of the offshore
wind farm market and will
hopefully serve as a benchmark
for the projects currently being
developed in France.

Caisse des Dépôts continues to play an important role in the photovoltaic sector. Alongside CNR, it acquired an equity interest in the ABD Solaire project to build and operate five photovoltaic power stations in the Rhône-Alpes and Provence-Alpes-Côte d'Azur regions. Onshore wind farms are another sector benefiting significantly from Caisse des Dépôts' assistance. Alongside these mature sectors, Caisse des Dépôts also supports more innovative, high-risk projects focused on deep geothermal energy

and offshore wind farms. In 2013, it decided to finance the wind farm at Saint-Brieuc, which will be fully operational by 2019. Its subsidiary CDC Infrastructure took a stake in an offshore wind farm project in Germany (see inset) and will continue to support production and innovative projects in France and Europe.

Financing companies in the renewable energy sector

Bpifrance is a major investor in companies operating in the renewable energy sector. It provides innovation subsidies, equity financing - either directly or through partner funds such as Demeter or the Eco technologies fund - and loans, which represented a total amount of over €550 million in 2013. The activities pursued by Caisse des Dépôts are an ideal fit with those of Bpifrance: while Bpifrance takes equity stakes in companies, Caisse des Dépôts supports their businesses by providing equity financing for their projects. Both Bpifrance and Caisse des Dépôts have the same objective: to encourage other investors to provide funding in order to bring these sectors to maturity.

Stepping up investments over the next few years

Over the next few years, Caisse des Dépôts Group plans to step up its investments in the renewable energies sector, to include decentralised power systems which organise renewable energy production, storage and distribution in a given region.



Biomass-powered steam and electricity in the Landes region

energies and

the energy transition

What does this project involve?

We are building a biomass co-generation power plant in the heart of the Landes region. This plant will be powered by "wood energy" from specially grown cultures, strains and any other wood that cannot be used by local industrial firms (paper manufacturers, carpenters, sawyers, etc.).

Industrial firm DRT was the brainchild behind the project, which is consistent with its long-standing environmentally responsible strategy. DRT is a specialist in responsible chemistry and uses steam to produce aromatic compounds from maritime pine sap. While it previously produced steam essentially from fossil fuels, this new biomass power plant will allow DRT to use steam primarily from renewable energy sources and to produce energy that will subsequently be purchased by EDF.

As a trusted third-party player, Caisse des Dépôts was approached by DRT in 2010. Cofely, a subsidiary of GDF SUEZ, was also brought into the project thanks to its expertise in operating industrial energy services, and together, we responded to a call for tenders launched by the French energy commission in 2011. We were informed that our bid was successful in February 2012. A dedicated company was created in November and work began in June 2013. The first trials will be run towards the end of 2014 and the plant is expected to be operational in early 2015.

What part has Caisse des Dépôts played?

We have been present at every stage of the project, providing advice before the operator was selected, taking part in the negotiations between the parties, and helping to finalise the new venture, which is 51%-owned by Cofely, 37%-owned by DRT, and 12%-owned by Caisse des Dépôts. Our contribution to the project is consistent with our role as a long-term investor. The total amount invested in the project was €50 million, of which €12 million was provided in equity financing by the project's partners. Caisse des Dépôts invested €1.5 million. The rest of the project was financed by bank loans.

This kind of project calls for the Group to work as a team so that it can leverage the full breadth of its expertise. From the outset, we have been working alongside staff from the Legal Department and from the Energy and Environmental Investments Department. Thanks to this team effort, Caisse des Dépôts found the flexibility needed to set up a structure consistent with prevailing market practices. The project is perfectly suited to our role of an enlightened and pioneering investor.

Can you explain this project with a few figures? Yes. 50 direct and indirect jobs; 17 MW of power (equivalent to the needs of 30,000 inhabitants/year); a carbon footprint from building offset in six months; 20,000 tonnes of CO₂ emissions avoided each year.

Showcasing and protecting our natural resources

In deploying responsible forestry management practices and supporting the development of the timber industry and innovative businesses seeking to protect biodiversity, Caisse des Dépôts Group brings a variety of solutions to the challenge of showcasing and protecting those natural resources on which our quality of life and economies depend.

Decisive action to protect biodiversity

Caisse des Dépôts Group plays a leading role in biodiversity protection. The environmental offset scheme for the A65 motorway, designed and implemented by CDC Biodiversité, is the biggest and longest-running such scheme in Europe to date (it ends in 2066). The natural asset reserve created in the Crau plain

 the first of its kind in Europe – has met all of its environmental targets and is actively continuing the sale of "biodiversity credits".

In 2013, the Greater Paris Transport Union (Syndicat des Transports d'Ile de France – STIF) asked CDC Biodiversité to help it implement offset schemes for its projects. The Languedoc-Roussillon region asked a consortium headed by CDC Biodiversité to design and set up a pooled offset programme. Caisse des Dépôts stands out on the national and international stage for the high quality of its research (CDC Biodiversité and the Biodiversity mission), its payments for environmental services, the design of new offsetting mechanisms, and the protection of biodiversity in urban areas. The French Ministry of Foreign Affairs commissioned a study from Caisse des Dépôts looking at innovative biodiversity funding initiatives, the findings of which are to be presented to the Convention on Biological Diversity.

Céline Desmoulières

Head of the Landscaping division at CDC Biodiversité



The Landscaping and Plant Engineering division brings together a multi-disciplinary team of landscape gardeners, engineers, tree and mapping specialists. Our varied missions include:

- designing and managing sustainable landscaping projects:
- analysing and responsibly managing existing outside spaces;
- · providing expertise and plant engineering.

These new skills allow CDC Biodiversité to offer specific solutions such as tree analysis, consider biodiversity issues in cities based on the existing building stock (Bâtiment & Biodiversité), manage ecological engineering projects linked to biodiversity offset schemes, and design plans for the sustainable management of outside spaces.

Organising and developing the timber industry

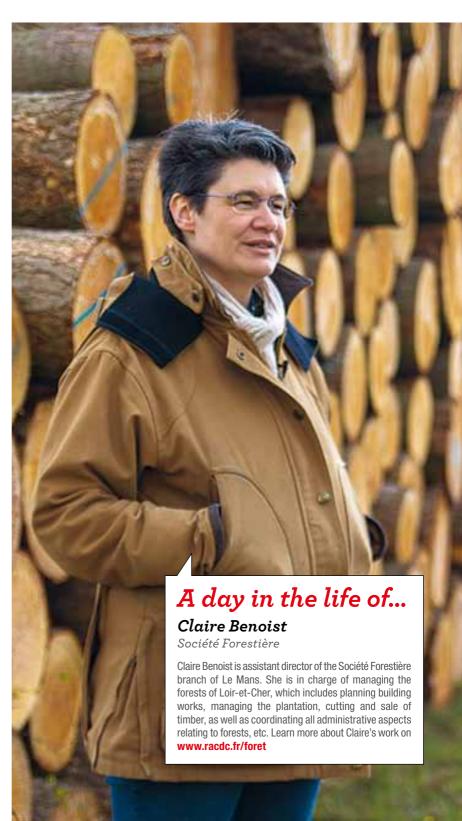
Although France has the third largest forest-covered area in Europe, the

timber and wood industries are poorly organised and development is limited.

In 2013, Société Forestière shifted its focus back to its original business of sustainably managing forests, developing investments in forests, and bringing timber industries to the fore. To encourage the sustainable management of forests, Société Forestière set up a system of woodland credits for the Sud Europe Atlantique high-speed rail link between Tours and Bordeaux. In early 2014, it was entrusted to manage around 15,000 hectares of forest by the BPCE group.

In response to renewed investor interest in forests in 2013, Société Forestière, the leading player on its market, launched two new forestry consortia open to private capital.

It also continued to leverage its expertise in the timber industries. In 2013, it helped to create a forest operator in New Caledonia and continued to aid foresters in the wake of storm Klaus.







Infrastructure, sustainable mobility and tourism

 \rightarrow Developing infrastructure is vital for securing France's competitiveness and appeal. Infrastructure is one of the Group's key areas of expertise and action, whether it be as financial backer, engineer or operator. The Group's investments are primarily focused on greenfield infrastructure in France and are designed to drive forward public policy (Grand Paris development project, digital and energy policies, etc.). Many of the infrastructure projects backed by Caisse des Dépôts focus on sustainable mobility, and are a response to changes in the public transport business model. Caisse des Dépôts partners local authorities in designing sustainable mobility policies best suited to the specific characteristics of their particular regions. Through Egis and Transdev, the Group leverages its expertise to develop innovative, global solutions which also pay heed to the digital economy. Caisse des Dépôts is also involved in upgrading the French tourism industry, which is an extremely important source of jobs and of primary importance for the country's regions.

The Boëme viaduct, currently under construction, is one of the stunning features of the future Tours-Bordeaux high-speed rail link, a project in which the Group has a multi-faceted role as lender, investor, engineer, etc.

Sustainable infrastructure for competitive regions

Caisse des Dépôts Group helps France's regions to develop by harnessing the full range of its expertise in designing, financing, and operating transport, energy, telecommunications and real estate infrastructure.

Financing infrastructure

Infrastructure is a critical priority for the Group and is decisive for France's economic competitiveness and social cohesion. Infrastructure investments are designed to meet the country's need for modernisation in areas which represent pillars of public policy, namely the energy transition, sustainable mobility, and very high-speed broadband networks.

Victoire Potel Head of Investment at CDC Infrastructure



CDC Infrastructure is a leading player in regional development. It lends financial support to French companies – whether major industrial groups or mid-sized businesses. Our investments in equity and subordinated debt make it possible to complete large-scale infrastructure projects which offer strong local visibility and are also vital to France's economic development. In helping to implement these projects, CDC Infrastructure teams take an active role in the energy and digital transition and help make France's regions more competitive. They also ensure that the environmental and social concerns related to these projects are given the consideration they deserve. Our job brings us into contact with many people and is technically challenging. It also calls on us to manage a wide variety of situations and negotiations.

Infrastructure financing needs are significant and the Group seeks to meet these needs in several ways. The Savings Funds grant long-term and very long-term loans to local authorities. A total of €10 billion in loans was granted between 2009 and 2013 (including €1.5 billion in 2013), specifically earmarked for sustainable infrastructure projects. Since 2013, a €20 billion funding package has enabled the Group to finance local long-term projects in the public sector, particularly infrastructure initiatives in the transport, public buildings, hospitals, water, and wastewater treatment sectors. A total of €2 billion in financing was released from this package in 2013.

The Group also provides equity financing, chiefly through its subsidiaries CDC Infrastructure and Bpifrance. Its infrastructure equity portfolio today tops €2.4 billion. CDC Infrastructure's expert team manages a portfolio of 18 investments representing total equity of €1.1 billion. This has helped fund €44 billion in investments, for example in high-speed rail links, energy transport networks, motorways, photovoltaic farms and offshore wind

farms. In 2013, the Group's Local and Regional Development division set aside almost €300 million to finance regional projects worth around €2.5 billion. The Group also subscribed to funds investing in infrastructure in France, Europe (Marguerite) and in the Mediterranean region (InfraMed, see page 43).

CNP Assurances also holds a large portfolio of unlisted infrastructure assets and invested over €750 million in the sector in 2013.

The Group's commitment will considerably intensify in the next few years. By focusing its actions on priority sectors poorly served by the market and on developing greenfield infrastructure, Caisse des Dépôts can lend its support where it is most needed. In financial terms, it favours joint investments within its own Group or with third-party investors, and seeks to ensure that its own action will have a strong persuasive influence on private investors.

Designing infrastructure

To build the infrastructure of tomorrow which will enhance our regions over the long term and give due consideration to all sustainable development concerns, it is essential to be involved at the earliest possible stage in defining and designing infrastructure projects. Within Caisse des Dépôts, Egis is a consulting and engineering group specialised in building transport, urban, industrial, water, environmental and energy facilities. In road and airport

infrastructure, Egis' offer extends to project development, capital investment, turnkey delivery of equipment and operating solutions. Drawing on a 12,000-strong workforce, including 7,500 engineering staff, Egis is renowned for its expertise in sustainable regional planning, and each year designs and inspects work representing some €10 billion in investments. As an eco-design specialist, Egis minimises the carbon footprint of its construction work and the operation of the facilities it builds is also designed to maximise energy performance. Egis has a strong international footprint and generates almost half of its revenues outside France.

SCET has been a wholly-owned subsidiary of Caisse des Dépôts since February 2012 and provides local government authorities with qualified personnel and advisory services. It also offers assistance in administrative, financial, technical, tax and legal matters. SCET draws on its network of semi-public companies to provide operational project management assistance for projects run by local authorities. As a trusted partner of both public and private players involved in urban planning and the regional economy, SCET also helps local stakeholders analyse their needs and structure their operations.



In Saudi Arabia, Egis is involved in two new housing development projects for the cities of Badr and Ta'if. The company is in charge of urban development and of preliminary feasibility studies through to detailed construction design.



For more information about the Group's commitments and achievements in the infrastructure, sustainable mobility and tourism fields, see its Corporate Responsibility Report: www.racdc.fr/rse



The university library of Rennes was unveiled in June 2013 after a refurbishment which gave Egis the opportunity to apply the full weight of its expertise to find the right thermal, aesthetic and acoustic balance for the existing building, making it more energy efficient while preserving its original charm.

Commercial property at the heart of regional economic development

Despite a fairly morose economic environment (pre-market and financing difficulties), 24 new corporate real estate projects were launched by Caisse des Dépôts in 2013, representing equity financing of €44.6 million (14 projects in 2012, representing €27 million in equity financing). These projects play a part in urban regeneration and give support to small businesses (SMEs).

In helping its customers implement their real estate strategies and create value in the regions, Icade partners large cities in its role as developer of commercial property, offices, housing and public infrastructure. In conjunction with its partners, Icade provides integrated solutions to major urban development concerns by helping service-sector areas incorporate greater urban diversity.

Following its merger with Silic, Icade is now Europe's leading office property investment company and an important part of its office portfolio is located in the most strategic areas of the Grand Paris development project. Boasting portfolio assets worth €9.1 billion, €502.9 million in annualised rent and two million sq.m of buildable surface area, the merger with Silic has given Icade a frontranking presence in three areas that are major beneficiaries of the future "Grand Paris Express" metro lines: Roissy-Charles-de-Gaulle and Saint-Denis-Aubervilliers in the north east. La Défense-Nanterre in the west. and Orly-Rungis in the south.



Chief Executive
Officer at Icade Santé

France's leadin
healthcare

France's leading healthcare property investment company

Why is Icade Santé said to be France's leading healthcare property investment company?

With 59 healthcare establishments across the country and €1.9 billion in assets, we are certainly the biggest investor in healthcare property in France. Founded in 2007, Icade Santé invests in hospital buildings in the context of partnerships with tenant-operators, which it assists in their development projects.

Owing to its experience of the healthcare sector, its renowned expertise and its solid ownership structure, lcade Santé has the resources to invest in high-quality assets.

What are Icade Santé's strengths, besides its front-ranking position in the market?

Firstly, our teams comprise specialists in healthcare property with renowned expertise on the market.

The size of our portfolio allows us both to spread risk among several operators – national and regional groups – and provides us with the potential to develop our business with these partners.

And having gone public in 2012, we also wield significant financial clout as an investor.

Who are Icade Santé's shareholders?

Icade Santé was wholly owned by Icade before its capital was floated to institutional investors in 2012. Icade currently holds 57% of Icade Santé through Predica, Cardif, Macif, Sogecap and CNP Assurances.

What were the highlights of the year for lcade Santé in 2013 and how do you see the next few years unfolding?

Icade Santé continued its investments in the year, acquiring Clinique de l'Union, a leading private hospital in Toulouse operated by Ramsay Santé; the Hôpital Privé de la Loire (HPL) in Saint Étienne run by La Générale de Santé; and Clinique Saint-Louis in Poissy on the outskirts of Paris, run by Vedici. We also signed an exclusive partnership agreement with the Courlancy group in Reims to build a new facility with 450 beds which brings together existing facilities in an exciting new project. For 2014 and beyond, we have firmly identified our development opportunities in terms of both renovating and extending the healthcare facilities in our portfolio, as well as acquiring and building new facilities.

Developing sustainable mobility

Deep-seated changes in the public transport and mobility sectors are throwing up a host of financial and operating challenges. Caisse des Dépôts is present at all stages of the public transport value chain, as advisor, financial backer, engineer and operator, and helps local authorities define well-balanced mobility policies that are best suited to their particular regions. The Group also leverages its expertise outside France to capitalise on key growth drivers.

Financing transport projects run by local and regional authorities

Between 2009 and 2013, a total of €7 billion in Savings Funds loans were earmarked for transport projects run by local authorities. Loans to develop mobility will now be granted out of the €20 billion package set aside to finance local government projects to upgrade existing networks and increase transport capacity. In 2013, for example, €40 million in financing was granted to the "Caden'cité" reservedlane transport project for the city of Montbéliard and its surrounding areas.

Through its subsidiary CDC Infrastructure, Caisse des Dépôts also provides equity financing for strategically important regional mobility projects.
CDC Infrastructure is a member of the Lisea consortium (awarded the concession for the Tours-Bordeaux high-speed rail link) and is one of the financial backers of the Rhônexpress airport shuttle in Lyon and the Reims light rail network.

Designing a global approach to mobility

Besides financing, Caisse des Dépôts Group also offers local and regional authorities extensive expertise and an approach that spans the entire mobility chain.

Transdev designs bespoke solutions involving many different modes of transport which combine affordability for local authorities, and simplicity and ease-of-use for passengers. In Tours, Metz and Angers and on Reunion Island, Transdev won new contracts to assist and advise local and regional authorities with projects to build light rail lines and other reserved-lane modes of transport. In interurban transport solutions, Transdev's contracts operating regional bus routes in Eure-et-Loir, Provence and Rhône were also renewed. And in the urban transport sector, the contracting authorities continued to choose Transdev to operate networks in Grenoble, Toulon, Roanne, Albertville, Compiègne, Villeneuve-sur-Lot and Bar-le-Duc. In Toulon and Calais. Transdev also set up a water shuttle service to round out its network.



Multi-modal transport in full force across Grenoble

(Transdev)

The Grenoble Transport Union (SMTC) selected Transdev-Semitag to operate its transport network. This public service concession began in July 2013 and will run for a period of seven and a half years.

You are investing heavily in multi-modal transport solutions. Why?

Multi-modal transport is indeed the Group's main challenge and we believe that it provides an answer to our customers' needs. Our customers want fast, easy ways of covering journeys that can sometimes be fairly complex. By offering them a multi-modal solution that combines different forms of transport, customers can design their own personal transport "mix" for getting from A to B. People can schedule their journey by subjectively comparing different transport modes for ease of use, affordability, speed, safety and even carbon footprint.

How does multi-modal transport play out in a city?

Multi-modal solutions are already up and running in France. For example, Semitag manages the transport network for Grenoble and its surrounding areas, consisting of 4 light rail lines, 25 bus routes and 15 Park & Ride lines, as well as the bike rental service MétroVélo (5,000 bikes in 2014, second only to Paris). And on top of all this, there is the car sharing service (Citelib), and local and regional

On signing this new contract, we also redesigned our commercial branches, which were previously dedicated to the Grenoble transport network (TAG) and are now

spaces that showcase our multi-modal solutions. Customers can go there for advice and also buy tickets for all transport options in the Grenoble area.

What projects are in the pipeline?

The Grenoble transport network's innovation push will continue apace in 2014. In January, it expanded to incorporate 21 new municipalities. In May, we inaugurated the first "Carrefour de Mobilité" (Mobility Crossroads), a Transdev project run in connection with Lab CDC in order to identify pedestrian routes useful for multi-modal transport. Finally, this summer will see the launch of the city's fifth light rail line, just a few weeks before the launch of a new-look bus network. All these projects are designed to ensure that public transport in our region is more comfortable, user-friendly and hassle-free.



Transportation Authority (SFRTA) awarded Veolia Transportation/Transdev the three remaining option years for the company's Tri-Rail contract, through to June 2017. Representing over €27 million in revenues, this contract extends the operational mission originally awarded for the Tri-Rail system in early 2007.

Transdev is also developing transport on demand, particularly in the Paris area with its "Supershuttle" service, and has rolled out transport solutions for people with reduced mobility in Toulouse.

Egis boasts expertise in all forms of urban and rail transport. As a contractor for engineering, consulting, project management and project operation assistance, Egis is involved throughout the transport process, from design to completion. After winning the contract for the extension of the RER E suburban train line (see page 55), in 2013 it was awarded one of the biggest engineering contracts in the Paris area: the new metro lines 15, 16 and 17. Egis also assists the local authorities of Nouméa, Caen la Mer and

Amiens (city) and successfully completed its project with the contracting transport authorities for the Lyon area with the inauguration of the extended metro line B at Oulins. SCET also applies a global approach, and draws on the planning and mobility expertise of its team of locally based specialists.

Leveraging sustainable mobility expertise on the world stage

Caisse des Dépôts leverages its expertise on the world stage through its subsidiaries Transdev and Egis. In 2013, Egis won the contract to build the new metro system in Riyad,



2020: the underground section of the extended RER E line should be in service.

Saudi Arabia; to conduct surveys and supervise the works on the Doha Expressways in Qatar; and to conduct surveys for the underground lines in São Paulo and Salvador in Brazil. Egis also unveiled the Constantine light rail system in Algeria, for which it was the prime contractor throughout the project.

Transdev won or renewed a large number of contracts in Australia (operation of the bus network in Melbourne and Sydney; transport of employees in Darwin, etc.), in Asia (the Shenyang light rail line in China and an underground line in Seoul, South Korea, both in conjunction with RATP Dev), and in Europe (Netherlands, UK, Sweden, etc.).

These 2013 success stories confirm the international leadership of Caisse des Dépôts' two subsidiaries.



50 more kilometres for the RER E train line

project at Egis

The RER E line is set for a complete overhaul. What does this involve?

Over 50 kilometres will be added to the line to link Haussmann Saint-Lazare in the centre of Paris to Mantes-la-Jolie in Yvelines, a suburb to the west of the capital. This extension involves both an overland section between Nanterre and Mantes and an 8 km section entirely underground between Haussmann Saint-Lazare and Nanterrela-Folie. Three new stations will also be built, at Porte Maillot, La Défense and Nanterre. This line will supplement the capital's existing public transport network and will make life easier for the 620,000 people who travel on the RER E each day by enabling them to bypass the RER A line when crossing Paris. Eole is a long-term project which began in mid-2012 and is expected to be operational by the end of 2020.

What role does Egis play in this project?

Egis was awarded the EPCM contract to design and construct the underground infrastructure as part of a consortium involving the design office Setec and the architecture and urban planning agency Jean-Marie Duthilleul, which specialises in station design. Egis is specifically responsible for overseeing the project with Setec, and for the engineering designs for the tunnel – using a boring machine, the Porte Maillot station, the extension to the Haussmann Saint-Lazare station, and the overhead lines.

What skills do you need to bring to this kind of project?

A whole host of skills are needed since the technical challenges abound. We are currently conducting all detailed surveys for the "Project" phase. This involves coordinating the full range of expertise needed to build this line, which will be located over 30 metres underground where space is already at a premium. There is also a new station to be built under the CNIT conference centre at La Défense and one between Palais des Congrès and the metro line 1 station at Porte Maillot. We therefore need experts in designing underground stations and in excavating tunnels using a boring machine or more conventional methods, along with specialists in geotechnics, civil engineering and finishings. The project also calls for expertise in acoustic and vibration surveys along with ventilation and smoke extraction. Then we have to design and build deviations of the existing networks to make room for the new structures (electricity, water and telecommunications networks, etc.). And we have to plan all the fittings for the stations with business premises, lighting, escalators and lifts, and so on. So the project is actually a huge team effort and 100 or so people will be needed just to coordinate all the experts in these different sectors!

Upgrading tourism

Tourism and leisure initiatives have a decisive impact on the reputation, competitiveness and appeal of France's regions. Caisse des Dépôts Group is developing new ways of helping this sector to evolve.

Boosting the tourism industry

Caisse des Dépôts participates in a wide variety of tourism projects considered vital to the regions in which they are located. In 2013, it was involved in the project to increase the number of moorings in Port-Médoc in Gironde with the aim of boosting the pleasure boat sector. It also helped finance a new "Center Parcs" holiday village in Vienne.

Compagnie des Alpes is the Group's flagship entity in the tourism business, and a leading operator and manager of ski resorts (no. 1 worldwide) as well as a major player in the leisure park sector (Asterix, Walibi, Futuroscope, etc.). Far from working with a one-size-fitsall approach, Compagnie des Alpes develops unique projects with its partners that are strongly rooted in local culture and respect the environment in which they are located. Thanks to this strategy, it has built up proven expertise and operational excellence that can be exported to other fields. Belambra was a pioneer of the holiday club in France. It is currently completing an ambitious project to upgrade its 58 clubs and develop its portfolio. Almost €300 million has been invested in this project over the past ten years. In January 2014, Caravelle took a stake in Belambra alongside Caisse des Dépôts, allowing Belambra to carve out a front-ranking role in its sector.

Arnaud Touret

Director of the Belambra Selection club "La Presqu'île du Ponant" at La Grande-Motte



The Belambra premium label "Belambra Club Selection" was created and awarded in summer 2013 to 11 clubs out of the 58 owned by Belambra. The premium label denotes the best Belambra has to offer and premium clubs offer over 24 events each day in the season, a fabulous location, high-quality restaurants, and so on. "La Presqu'île du Ponant" at La Grande Motte was one of the clubs selected to carry this label. The "Selection" clubs meet the full range of customers' needs, making them a source of satisfaction and well-being for the club's own staff. The local authorities were also delighted to have "La Presqu'île du Ponant" awarded this premium label, having been engaged in efforts to upscale the resort's image over the past few years.

Giving tourist accommodation a makeover

Caisse des Dépôts has financed projects to refurbish tourist accommodation out of the hotel renovation equity loan (PPRH). Granted by Bpifrance at lower-than-market interest rates, the renovation loan is guaranteed by Caisse des Dépôts and designed for SMEs in the tourist sector and city centre hotels wishing to improve the quality of their facilities.

To address the problem of "empty beds" (i.e., vacant apartments) in the Alps, the Group teamed up with three regional banks to create Rénovation Montagne, a property investment company. Rénovation Montagne invests in local property companies in five mountain resorts, in order to purchase apartments put up for sale, renovate them and put them back on the seasonal rental market for the benefit of the local economy. The project will look to renovate some 500 apartments over the next five years.

Supporting local tourism

Consistent with its role of investor serving the public interest, in 2011 Caisse des Dépôts teamed up with Agence Nationale pour les Chèques Vacances (ANCV) and IRCANTEC to create a social tourism investment fund (TSI). Endowed with €75 million for a ten-year period, the fund provides equity financing for property companies in connection with the renovation and extension of holiday villages. To date, Caisse des Dépôts has invested over €150 million to help renovate various sites, alongside other social tourism operators including Sodistour, Cap'Vacances, Vacances Bleues, and ANCAV.



Compagnie des Alpes makes a play for the international stage

Compagnie des Alpes is adjusting its strategy. Why?

Compagnie des Alpes (CDA) has been gradually shifting its strategic focus since 2010. Over the past few years, the most important growth drivers have been outside Europe, for example in Asia or Russia, where leisure spending has shot up.

What are these new growth drivers?

There are two. The first is to export our flagship brands such as Grévin, Parc Asterix, Walibi, Futuroscope. The concept behind these museums and leisure parks can be easily exported to other countries and their reputation precedes them. The second focus is to sell our expertise, by which I mean providing the full breadth of our expertise to investors or operators within the scope of projects to develop ski resorts or leisure parks. This goes from design assistance (finding the site, development planning, etc.) and building (choosing suppliers, supervising the works) to preparing for the grand opening. Once the project is up and running, we can offer operational management support such as HR management, supervision of maintenance, safety and security, and so on. Our capacity to provide these services is rooted in the expertise we have built up from years of managing ski resorts in France along with leisure parks and museums.

Can you give us any examples of ongoing or upcoming projects?

The Grévin museum in Montreal opened its doors in April 2013 and visitor numbers have been good so far. The same museum in Prague is to open this year and we are currently working on "Chaplin's World by Grévin", to be unveiled in Switzerland in 2016. In terms of leisure parks, our efforts are focused on indoor Asterix or Walibi leisure parks covering around 10,000 sq.m. and designed for families with children aged around ten or under. I can give another example in Morocco with "Sindibad by Walibi", expected to open at the end of this year. For this project, we were involved in design and planning, selecting suppliers; and carrying out the construction work. We have also been contracted to manage the venue as soon as it opens. In the ski resort field, we are managing the Rosa Khutor resort in Russia: two Compagnie des Alpes managers helped to develop this resort and now manage the site. This involves preparing the slopes and making them safe, and managing the ski lifts, ski rental shops and even the ski school. Other projects in ski resorts or leisure parks are also taking shape in Russia, Japan and China. Our experience is certainly the best way to get a foothold on these international projects.





Digital revolution

→ As a driver of modernisation, growth and innovation, digital technologies are decisive in creating competitive economies. The Group supports the digital economy and finances new digital infrastructure in France's regions and businesses. Its initiatives in this area take many forms. The Group's subsidiaries develop innovative solutions, while Caisse des Dépôts leverages its role as a trusted third-party player to spur growth in the digital economy. The Group also strives to ensure that its own information systems incorporate the latest digital developments.

The Group helps transform the economy by investing in digital infrastructure and services.

Going digital in regions and businesses

Since 2001, Caisse des Dépôts has been an active partner of digitaloriented growth policies that look to ensure that all regions benefit from the digital revolution, building first broadband and then very high-speed networks, and promoting innovative digital services.

Digital infrastructure

Caisse des Dépôts lends its engineering and financing expertise to public sector stakeholders in helping them to roll out widespread broadband infrastructure coverage and reduce the digital divide. It is currently shareholder of 33 broadband public-initiative networks (PINs), representing a total gross investment of €115 million.

In early 2013, the government confirmed that it would be stepping up its roll-out of the new optical local loop which is to replace the old copper telephone cables built by the government in the last century. All exchanges of information in the economic, education, health, and cultural and social sectors as well as national civil defence will be routed through this new-generation network. Caisse des Dépôts is helping local and regional authorities to structure their policies from a legal and financial perspective, and offers public and private stakeholders financing and risk management solutions which are particularly suited to the very longterm nature of these projects. In all, 47 applications have been filed with Caisse des Dépôts, representing 54 administrative departments (including five overseas territories), with plans to build 3.2 million fibre-to-thehome (FTTH) lines in five years. The total investment is estimated at \in 5.4 billion, of which \in 1.5 billion under the Investments for the Future programme.

Caisse des Dépôts is also financing research and development carried out by the French space agency (CNES) on very high-speed broadband satellites to provide fibre optic coverage in "blackspots" where the market provides insufficient coverage.

Digital neighbourhoods

In early 2013, the French government asked Caisse des Dépôts to prepare the ground for a "Digital Neighbourbood" project. Following a series of consultations, mainly in the greater Paris area (Ile-de-France), Lille and Toulouse, and after having compared different digital ecosystems existing worldwide, the Group submitted a report to the government containing a number of recommendations. The following recommendations were taken up by the government: ■ to put in place a system of digital neighbourhoods encouraging the development of local digital ecosystems; ■ to encourage regions to promote digital companies on the international stage in order to make France's economy more attractive for businesses:

A total of €11 million has been released under the investments for the Future programme to helf fund the very high-speed natwork to be built in Calvados.



A new generation of shared workspaces

What's the meaning of the "Stop & Work" concept?

The idea is to create places of work in and around cities that offer a host of services and facilities including rooms, shared workspaces, wifi, meeting rooms on demand, and so on. Until now, workspaces have been primarily restrictive — either because they are leased or are non-scalable. Now however, people want much more flexible solutions that can be constantly adapted to the fast-changing needs of the moment. The first customers are expected to be freelancers and startups. And once teleworking is an integral part of their strategies and organisations, the offer will also be of interest to SMEs, multinationals and public sector employers.

What are the benefits?

In the greater Paris area (Ile-de-France), users will save up to 80 minutes commuting time per day* while working in an environment with other like-minded professionals. Working at home can be isolating and is only an option for those whose homes provide the right conditions, which means that this type of teleworking is actually not open to everyone. Employees in shared workspaces would be able to save around £124 per month on childcare, petrol, car maintenance, etc. just by teleworking two days per week. They would be less stressed and have a better quality of life. This is a real plus for those companies who care about employee well-being at work, and also means that part of the time previously spent on travel can now be spent working. Local and regional authorities with a teleworking facility can expect a boost to local consumption, growth in nearby services and businesses, new local jobs and greater appeal. More generally, reducing the amount of travel will free up the roads, reduce accidents and avoid pollution.

How did this project come about?

Three years ago, we launched a study which revealed the significant potential of teleworking, something that was unavailable in the outskirts of cities which are home to the majority of the French population. We helped bring about the project, from identifying partners to creating the "Stop & Work" company in 2014 along with Regus, the world leader in flexible workspaces, and Orange. The project has allowed Caisse des Dépôts to play its role of public-interest investor to the full, and also be part of an initiative with a positive impact on regional development, economic growth and respect for the environment. Our efforts have allowed us to launch a service which market stakeholders would find difficult to launch alone, and one which meets the needs of local and regional authorities. Our growth outlook is ambitious but in line with future demand: by 2025 there should be 318 teleworking facilities in greater Paris and 438 across France*!

^{*} Based on the study conducted by Caisse des Dépôts, ENS Cachan and consulting firm PMP in 2014.

■ to set aside specific financing for this project under the Investments for the Future programme.

In September 2013, an agreement was signed creating the largest incubator of digital start-ups in the world at Halle Freyssinet in Paris. The venue will also provide co-working spaces for nomad workers, a rapid prototyping and production facility ("Fab Lab") and exhibition spaces where firms can showcase their work.

As from 2014, Bpifrance will invest in a dozen or so structures spurring innovation within the scope of the Digital Neighbourhoods programme.

Intelligent cities and networks

Caisse des Dépôts Group is involved in various initiatives to help develop "smart cities". The principle is simple: using digital technologies to solve planning issues related to transport, energy, waste management and so on.

While this approach is already the pillar of urban development policies for many local and regional authorities, it also stands at a critical juncture of the priority areas for development identified by Caisse des Dépôts (housing, energy transition, mobility, etc.). There are two priorities: smart grids which are designed to optimise the management of information flows and networks, and transport ticketing systems and mobility. For example, Transdev subsidiary Cityway manages travel information systems, software and services. In 2013, Grand Lyon and

Cityway teamed up to create the Smartmoov' app which aims to bring about a shift in the use of transport by offering users journey time and cost information combining all modes of transport (bike, public transport, car, walking, etc.) in real time.

Caisse des Dépôts was also involved in structuring call centre projects, particularly in the areas concerned by the Grand Paris development project (see page 61).

Supporting digital industry

Financing companies in the digital sector is among the priorities of Bpifrance and the Investments for the Future programme, and chimes with the wider aim of providing seed capital, supporting national champions, and developing ecosystems conductive to businesses. In late 2013, Bpifrance created the €500 million "Large Venture" fund. This powerful investment vehicle has been set up to finance innovative companies in the digital sector. In December 2013, Bpifrance also set up a digital loan under the Investments for the Future programme. Though not strictly limited to the digital industry, this €300 million loan will help SMEs and mid-caps to acquire or develop digital technologies in a bid to increase their competitiveness.

A trusted digital player

As a trusted third-party player, Caisse des Dépôts Group offers government agencies and businesses a package of digital services through its specialised subsidiaries.

Trusted information for local and regional authorities

As part of its role to foster regional growth, Caisse des Dépôts helps keep local and regional authorities informed through Localtis (daily and weekly newsletters and in-depth features on specific subjects) and Mairie-Conseils (website and internet platform, newsletters, information days and assistance with inter-local authority initiatives).

Trusted data storage

Informatique CDC, an intercompany partnership (GIE), is a global operator, advising and assisting its members throughout the life of their information systems by ensuring the integrity, confidentiality and durability of the data it manages. Informatique CDC has developed a secure and efficient modular digital offering based on services which meet the very latest general security database standards (RGS) published by the French Network and Information Security Agency (ANSSI). Data managed by Informatique CDC is stored in France. The French Institute of Intellectual Property joined the partnership in early 2014.

To expand on its role as a trusted manager, Caisse des Dépôts Group wishes to develop its activity as a custodian of digital information flows for the French government and for other public and private entities in a wide variety of sectors such as e-mobility and online databanks for diplomas and qualifications.

Trusted paperless solutions

CDC Fast offers data digitisation solutions to local and regional authorities in particular. The company reported 17% year-on-year revenue growth in 2013, processed over one million e-documents and had 23.000 users across 5.000 local and regional authorities and public sector clients. CDC Fast's expansion in the past year was driven by the success of its apps for tablets and smartphones, "Fast-Parapheur" and "Fast-Élus". CDC Arkhinéo, which rolls out probative-value archiving solutions, saw the number of documents filed in its electronic safes[®] in 2013 top a record 500 million, representing 500,000 gigabytes. CDC Arkhinéo remains the market leader in electronic invoicing, accounting for 20% of all B2B invoices (B2B as defined for tax purposes) exchanged in France. It also signed five new partnership agreements in the year to expand its offer for local authorities, businesses and institutional clients.



Putting trust in our digital solutions

In mid-2013, Renault Crédit International Banque (RCI Banque) introduced an app for its dealerships. The app puts an end to the reams of documents that previously had to be signed in order to take out a car purchase loan. The entire process has now gone digital, thanks to a solution designed by CDC Arkhinéo and OpenTrust.

What was the app designed for?

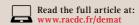
RCI Banque was determined to keep step with the fastpaced changes digital media has brought to all of our lives. The app allows clients to officially contract their loan by electronically signing the loan agreement directly on the mobile device at the point of sale.

What advantages does it offer?

Lots! Customers are dealing with a modern interface and no longer need to fill in countless forms for their loan application. This speeds up the process for them and also gives dealers more flexibility, since tablets can be easily transported and the loan offer can therefore be adjusted to reflect the buyer's interest in a given vehicle. The advantages are also considerable from a management point of view, with reduced processing time and less paper and consumables, as well as improved working

What are the selling points of the solution developed by CDC Arkhinéo and OpenTrust?

First and foremost, we are companies you can trust. Offering a service where an electronic signature is contractually and financially binding on an individual requires a huge amount of trust from the customer. And this is what CDC Arkhinéo can offer as a trusted supplier of archiving solutions. OpenTrust, responsible for the electronic signature, is Europe's leading provider of online trust and certification services in which Caisse des Dépôts is a shareholder. Another selling point is that we offer a onestop solution that can be easily integrated into customers' software without the need for them to upgrade their information systems. Our solution guarantees an electronic signature that has the same legal status as a handwritten one, and as an added bonus, offers highly secure storage and traceability throughout the process. For digital data, we establish a "digital footprint" which makes it impossible to tamper with a signature once it has been made. The data is then sealed in an online envelope that cannot be modified and, to ensure that it is kept in the system permanently, reproduced in parallel on four servers. I think I can safely say that an electronic loan agreement is far more secure than a paper one!



Getting digital at Caisse des Dépôts

Digital technologies are a big part of Caisse des Dépôts' drive to modernise its activities and the Group's aims in this area have been set out in its "Ambition CDC Digitale" programme.

The Group wishes to leverage digital solutions as far as possible to make the Public Institution more flexible, create better working conditions, further improve its products and services and identify new opportunities for growth.

Making support functions more efficient

Amid strong pressure to trim public finances, Caisse des Dépôts has embarked on an ambitious programme to upgrade its information systems, seeking to unlock synergies and reduce costs. It also aims to reduce the complexity and improve the efficiency of information systems and, more generally, the day-to-day work of the Group's employees.



Rethinking the Public Institution

The fast-paced growth in digital technologies affects all of Caisse des Dépôts' activities, and not just its role as a trusted manager.

The impacts of the digital revolution on the Group's stakeholders and the models for its different businesses should be analysed, and any possible opportunities to create innovative new activities identified.





→ As from its earliest days in 1816, Caisse des Dépôts was safely and transparently managing private funds requiring special protection under public-interest missions given to it by the French government. Besides its historical role, the Group has since become a trusted third-party fund manager and a custodian of funds on behalf of third parties. This role is constantly expanding, to include new pension schemes, initiatives under the Investments for the Future programme, CIF employee training accounts, and a partnership with the European Investment Bank, to name but a few. Caisse des Dépôts intends to continue developing this role by making the best use of its technical and financial expertise and its identity as a third party you can trust.

As well as a trusted manager of legally protected private funds, Caisse des Dépôts is also banker to the public justice and social security systems and has a legal and fiduciary role serving the public interest. Its mandates include managing around 40,000 accounts for children in the performing arts and modelling industries.

A trusted manager serving the public interest

In all, the Group manages around €600 billion in private deposits, including regulated (tax efficient) savings, funds entrusted by the legal professions and sums managed by CNP Assurances. As well as safeguarding these funds, the Group's relevant subsidiaries help to transform them into long-term financing for the domestic economy.

Safeguarding and transforming regulated savings

Under one of its most important legal mandates, Caisse des Dépôts centralises around two-thirds of regulated popular savings (Livret A, LDD, LEP passbook accounts). These deposits are transformed by Caisse des Dépôts into very long-term, low-interest loans for public-interest projects in priority sectors identified by the French government (social housing, urban regeneration, infrastructure, local and regional facilities, etc.). Around 60% of the amounts centralised by Caisse des Dépôts (€243.3 billion at 31 December 2013) are transformed into 20-, 30- or 60-year loans to finance a host of different projects, primarily at local level. The Savings Funds remained extremely active in 2013, with new lending agreements worth €21 billion. Loans granted to social housing and urban planning projects hit a record high of €16.4 billion, and will help to create 110,000 additional social housing units or places in special accommodation. A new €20 billion package was also set aside for long-term projects run by local authorities between 2013 and 2017. In 2013, commitments to the local public sector totalled €3.5 billion and loans were signed for a total of €2 billion, representing financing for some 350 projects.

Forty percent of the remainder was invested in financial assets (mainly treasury and corporate bonds), bringing a much-needed boost to the national economy. The portfolio also includes equity investments: the Savings Funds hold over €10 billion worth of listed shares and have a growing portfolio of unlisted financial assets such as infrastructure and venture capital funds.

Investments for the Future: setting an example

In 2010, Caisse des Dépôts was one of the main entities chosen by the French government to manage the Investments for the Future programme. Thanks to the Group's resolute involvement, funding commitments hit the €4 billion mark at the end of October 2013. Including co-financing arrangements – evidently the most common form of financing under this programme – €11 billion was earmarked for innovative economic development projects in a variety of

Under those two of
the investments for
the Future programme,
the Grout is restonsible
for implementing
15 new government-backed
measures for a total
of €3.5 billion.



Popular savings financing the long term

the Savings Funds

Finance division

How does the deposit-taking process work?

Through its Savings Funds division, Caisse des Dépôts manages deposits placed in three passbook accounts: Livret A (LA), Livret Développement Durable (LDD) and Livret d'Epargne Populaire (LEP). The deposits placed in these products are collected both by Caisse des Dépôts and by all banks offering these products to their customers. Our responsibility is to safeguard these deposits and guarantee liquidity and interest payments. We have to make sure that we can meet customers' withdrawal requests at all times. We also ensure that interest is paid on these deposits at the savers' rate plus a margin.

What do you do with the deposits?

We transform them into very long-term loans serving the priority areas of public interest identified by the French State. At the present time, deposits are used to fund social housing, urban planning and infrastructure projects.

How did the regulatory environment for these products change in 2013?

The 30 July 2013 Decree introduced several measures. First, Caisse des Dépôts is to return €30 billion to the banks (€20 billion relating to LA-LDD accounts plus €10 billion relating LEP accounts) through a reduction in the percentage of deposits centralised by the Group (from 65% to 59.50% for LA-LDD accounts and from 70% to 50% for LEP accounts). This will be financed out of the intake of new money collected when the maximum amounts authorised to be held in these deposits were increased in late 2012.

The Decree also introduced a loan-to-deposit ratio of 135%. If this ratio is not met, the percentage of loans centralised by Caisse des Dépôts can be revised each quarter (and capped at 65%) so that the sum of deposits and the Group's own equity meet the 135% Savings Funds loan-to-deposit ratio. Finally, the commission payable to banks distributing Livret A and LDD accounts was cut from 0.50% to 0.40%

Implementing these changes has meant stepping up our exchanges with banks, with which we are also having to renew all our agreements. We strive to maintain excellent communication with our banking partners, which, despite being "captive" players, are first and foremost our customers.



Rising to social challenges

business unit

at CNP Assurances

Why is CNP Assurances developing a new range of services?

We are currently facing demographic upheavals, as baby-boomers approach retirement and the percentage of the population aged over 60 increases sharply. At the same time, we can also expect to live longer (one of every two baby girls born today should live to be 100!). There are going to be a lot more people in their 90s and it won't be unusual in the future to see four- or even five-generation families! CNP Assurances is therefore restructuring its products and services to actively partner these changes. Although those in the "65-75" age bracket are independent now and have relatively few needs, we can't wait until they are 80 before we start thinking about them, because any changes then are much more difficult to make.

So we should assist the ageing process as early as possible?

In fact, we will be there as a trusted partner for all of our customers as from 60 years of age, ready to discuss their retirement plans and think about their care options. It's better to be prepared before any dependence issues arise. If we are able to establish a relationship with our customers early on, we will find it easier to flag up any decline in their health, for example during a telephone call if they seem less well than during our previous conversation. And we can then swiftly put into place a range of services offering the customer assistance and comfort.

How will this work?

Our main aim is to enable our customers to continue living at home in safe and comfortable conditions. The two main causes of dependence are inability to leave the home and accidents. Some accidents can be avoided, for example by making adjustments to homes, while the inability to leave the home can be overcome by providing mobility assistance. We already offer these services. The idea is to further expand these solutions and design a commercial offer that combines insurance and associated services. Existing or upcoming projects include inspecting homes with a network of occupational therapists, online self-diagnosis platforms ("How can I get back into sport?", "Can I live at home all my life?", etc.), and memory check-ups. To develop this comprehensive range of services, we are relying on synergies with our existing solutions and on the creation of partnerships with institutions that already offer similar services on the market.

Ageing and dependence are social issues that have to be addressed. They also provide companies with an opportunity to develop new services in a win-win relationship, helping customers to age well and make the most of this stage in their lives.

sectors including the social economy and solidarity, work-study programmes, digital infrastructure and services, corporate financing (particularly seed financing), the knowledge-based economy, the promotion of intellectual property, and tomorrow's cities.

Regulated deposits and general-interest project financing

One of Caisse des Dépôts' most important roles is as banker to the public justice system. As a trusted third-party player operating according to the specific nature of its missions, Caisse des Dépôts puts in place processes to ensure it manages the funds entrusted to it safely and transparently. Some €35.5 billion in deposits in escrow or originating from the legal professions are carried on the Central Sector's balance sheet and managed by the Banking Services division. This is one of the pillars of the Group's business model. These deposits are then used to help finance its role as a long-term investor. Caisse des Dépôts works to safeguard the funds entrusted to it and serve the public interest and economic development.

Safeguarding funds and people

CNP Assurances is France's leading personal insurer with some €299 million under management in 2013. CNP designs and manages insurance-based savings, retirement and healthcare plans and personal insurance products. Besides the safe and secure

management of funds, CNP Assurances looks to develop products and services that offer insurance protection to as many people as possible throughout their lives. The company's personal risk insurance business in France grew by 3.4% in 2013. Its current challenge is to design a global personal insurance approach that includes prevention, financial cover and personal care services. CNP Assurances seeks to adapt its products to new risks that are emerging as a result of extended life expectancy and especially longer working lives.

For its individual insurance partners, it has set up a comprehensive array of products meeting the needs of full and partial dependence. It has also developed personal care services which aim to enable elderly people to remain independent and continue living at home.

In group insurance, CNP partners a wide variety of employers (private and public sector, micro-businesses and SMEs, multinationals), offering employees appropriate social protection during their working lives (health cover, personal risk) and as they prepare for retirement.

Consistent with the spirit of the law on job security, CNP Assurances offers a broad array of health, personal risk, pension and dependence insurance for micro-businesses and SMEs, and rounds out the products offered by major public sector mutual insurers in terms of sick leave, dependence and life insurance. In 2013, the mutual insurer Mutuelle Nationale Territoriale (MNT) selected CNP Assurances' "Loss of autonomy" cover to present to holders of its healthcare policy and their beneficiaries as of 1 January 2014.

CNP ASSURANCES IN BRAZIL

CNP Assurances continues to expand its insurance and personal risk products and services in Brazil through its subsidiary Caixa Seguros, Brazil's fifth largest insurer with 9.4 million policyholders. Caixa Seguros offers affordable insurance, retirement and savings products and health cover in a country where most people have no protection against life's contingencies. The subsidiary moved closer to the Brazilian people when it sealed an alliance with the country's second-largest public bank, Caixa Economica Federal, which has 3,000 branches across the country. To further expand its distribution network, Caixa Seguros acquired Previsul in 2013. At the beginning of 2014, it also snapped up Tempo Dental with a view to developing its micro-insurance business. Thanks to this acquisition, its low-cost health insurance policy now covers dental costs. This is not insignificant, when you consider that some 20 million Brazilians have never been to the dentist.

Managing funds safely, transparently and efficiently

A trusted manager for nearly two centuries, Caisse des Dépôts strives to deliver top quality service and efficient management. In fulfilling this role, Caisse des Dépôts needs to work within certain safety, neutrality, transparency, efficiency and cost imperatives.

Preferred manager of social protection

Caisse des Dépôts manages 48 mandates in the pensions and solidarity sector. It is one of the leading managers of public pension schemes, representing over 7.5 million active workers and 3.5 million retirees, or one in every five pensions in France.

Its multi-fund management model encompasses all aspects of administrative management (from debt collection to payment of benefits),

management of the legal, technical and financial aspects of pension schemes, and relations with beneficiaries. As a long-term manager bringing significant added value, Caisse des Dépôts is the partner of choice for 75,000 public sector employers.

Caisse des Dépôts has embarked on a modernisation drive, pooling and industrialising management processes and opting for paperless exchanges with its customers. Owing to demographic trends and new duties in terms of informing active workers of their pension entitlement, the Group's activities have enjoyed sustained growth, powered by new improved management tools and information systems.

Driven by the aim to deliver superior efficiency and service, Caisse des Dépôts has rolled out an ambitious cost cutting plan. In 2013, three management and target-based agreements were renewed with IRCANTEC, RAVGDT, and EPFP pensions funds, reflecting the satisfaction of the principals concerned. IRCANTEC's ESG approach and the quality of its discretionary fund management was recompensed by an IPE award.

EMPLOYEE TRAINING ACCOUNT ("CPF")

The French law of 5 March 2014 on vocational training, employment and social democracy introduces an employee training account which will allow its holder to track the number of hours credited and look up suitable training courses. The computerised system will help manage the training entitlement recorded or input in the account. The government appointed Caisse des Dépôts as manager of the CPF account, which will concern 25 million beneficiaries and 1.2 million companies. Unlike the DIF training entitlement currently in force in France, rights vested in a CPF will be able to be transferred to another employer and will also be maintained if the employee loses his or her job. CPF accounts should be up and running by early 2015 and employees should be able to access their accounts by the middle of that year.

Besides its activity as a fund manager, Caisse des Dépôts also took part in the preliminary debate on pension reform, for example by lending its expertise Marie-José to the Moreau commission set up prior Chazelles to the reform, or by publishing research and work which was used as a basis for discussion at meetings of the Head of the Pension Pensions Advisory Council (COR). and Solidarity division for Paris It will continue its efforts in this field in 2014 as the reform and its simplified measures are implemented. managed a financing package of €160.8 million

The Pensions and Solidarity division also applies its expertise in other fields, such as occupational risk insurance, the employment of disabled people and compensation funds. In early 2014, it was given the mandate to manage the CPF employee training account (see inset on page 72).

Banking services: modern, secure payment methods

Caisse des Dépôts prefers to use digital banking services which can provide improved traceability, speed and reliability. It encourages electronic payment methods as a means of improving payment security. It assisted the notarial professional in meeting its obligation to electronically transfer land transfer taxes above a certain amount. Electronic transfers offer advantages in the fight against money laundering as they cannot be cancelled and provide added transparency and traceability. Around €150 billion in annual payments are now made by electronic transfer rather than by cheque.

Promoting the employment of people with disabilities

Caisse des Dépôts was entrusted by Decree to manage the Fund for the integration of people with disabilities in public sector employment (FIPHFP) after it was set up by the French law on equal rights and opportunities and the inclusion and citizenship of persons with disabilities of 11 February 2005. An ambitious new management and targets-based agreement has been adopted for the period 2014-2018.

What is the FIPHFP?

The FIPHFP was created to enable public sector employers (central government, local and regional authorities, hospitals, etc.) to meet their commitments with regard to people with disabilities and reach the legal minimum of 6% of employees with disabilities in the workforce. The fund provides one-off financing (workstation alterations, training, etc.) and enters into agreements spanning several years with employers who roll out programmes to help people with disabilities find employment and remain in their jobs. It also finances work carried out to make offices and other company buildings more accessible for the disabled. The fund is financed by contributions from public sector employers which do not meet the legal minimum of 6% employees with disabilities in the workforce (the percentage of employees with disabilities in Caisse des Dépôts' workforce exceeds 6%).

In seven years, the FIPHFP has helped increase the rate of employment of workers with disabilities in the public sector from 3.74% to 4.64% and in 2013 compared to €7.4 million in 2007.

How does it work?

The fund is governed by a national committee. Since April 2013, this committee has been chaired by André Montané, Vice-Chairman of the Ariège General Council, and by a public institution headed by Jean-Charles Watiez, which implements the policies determined by the national committee. As for other principals, Caisse des Dépôts manages the administrative aspects of the fund (collecting contributions, managing financing, etc.) as well as support functions such as legal affairs, information systems and communications. Around 45 people are involved, including teams from the Pensions and Solidarity division and from the network of regional offices (for hands-on relations with the public sector employers).

What challenges are set out in the new management and targets-based agreement (COG) for 2014-2018?

First, I should point out that this agreement was drafted in record time between July 2013 and its adoption on 11 December 2013. It sets two major priorities for Caisse des Dépôts as fund manager: to guarantee the fund's resources and to increase financing for the disabled. The agreements also features ambitious commitments in terms of efficiency, quality of service and ISO 9001 certification for all processes. In guaranteeing the fund's resources, Caisse des Dépôts undertakes to collect contributions from those employers that do not reach the legal minimum of 6% of employees with disabilities in the workforce. Increasing available financing will allow employers to take on more of these employees in optimal conditions. The agreement also undertakes to move towards the statutory 6% minimum rate by reaching 5.30% when the agreement ends, i.e., in 2018.

The Group was also a part of the project to standardise payment methods in Europe. More than ten years after the euro was introduced, the Single Euro Payments Area (SEPA) allows individuals in Europe to make both domestic and cross-border payments using a single set of payment instruments. Caisse des Dépôts was one of the first institutions to meet the requirements of the SEPA. At 31 December 2013, 81% of Caisse des Dépôts' customers had opted for payments under SEPA standards. Together with La Poste, Caisse des Dépôts set up an innovative solution for sending cheques by secure mail.

As well as its role of banker to the public justice system, Caisse des Dépôts also performs banking services on behalf of ACOSS which are essential to the latter's role as treasurer for France's general social security scheme.

Handling some €410 billion in inflows

Handling some €410 billion in inflows each year, ACOSS is one of the biggest accounts in the French banking industry. Caisse des Dépôts completed a project with ACOSS for the electronic transfer of cash to the general social security scheme, which further improves security. The last stage of this project involved migrating the process for transferring cash to public healthcare institutions.



Social security goes digital

Caisse des Dépôts is banker to the social security system. What does this involve?

The Banking Services division provides account management services for ACOSS, the central body for France's social security system and the treasurer for France's general social security scheme. ACOSS is the Group's most important client in terms of funds under management and represents one of the biggest accounts in France's entire banking industry. Amounts transiting through accounts can reach several billion euros, particularly on payment dates!

How did the digital migration project work?

The aim of the project was to automate the cash transfer process for local social security funds to replace the manual inputting process previously managed by the Public Finance directorate network (DGFiP). Concretely, ACOSS set up a central application allowing the local funds for each social security branch (sickness, family, debt recovery and pensions) to send an estimate of their expenses for the following day. ACOSS then uses this data to prepare the files which it sends to Caisse des Dépôts so that the latter can make the several hundred payments which are due each day (internal and external transfers). The benefits of this project are significant: optimised management of social security funds, improved security, traceability and quality of service, and lower costs. This project was eagerly awaited by both ACOSS and the departments of our Public Finance directorate network, who were previously responsible for manually inputting the data and whose time can now be spent on other tasks. This project was also an opportunity for us to demonstrate our capacity to partner our customers throughout complex projects.

Valérie Fantin

Head of Social security fund customer relations within the Banking Services division

The aggregate amounts payable to hospitals each month by primary sickness insurance funds are now made electronically, representing €50 billion per year, or around 48,000 payments.

Developing other mandates

Caisse des Dépôts provides banking, administrative and financial management services under various mandates. The Banking Services division manages 59 mandates covering a wide variety of fields, including the Fund financing unpaid legal costs (FFDI), the National active solidarity fund (FNSA) and the Historical nuclear energy regulated access fund (ARENH). In carrying out its mandates, Caisse des Dépôts constantly seeks to maintain strict cost discipline and a high quality of service.

The Group is also developing fiduciary activities, which is a logical extension of its status as a trusted manager. Opportunities abound, for example as regards projects to boost regional economic growth, and a new standardised offer is to be rolled out in 2014.



Caisse des Dépôts and La Poste team up to send cheques

What's the aim of the partnership between Caisse des Dépôts and La Poste in this area?

The partnership is part of a wider project to overhaul our cheque payment arrangements. The first part of the project consisted of transferring all cheque processing tasks to two electronic processing centres (STC) of the Public Finance directorate network (DGFiP), based in Lille and Créteil. These centres now process all cheques relating to clients of Caisse des Dépôts and the Public Finance directorate. These cheques were previously scanned and filed individually by each department. So these two centres now process over 50 million cheques a year! Obviously, we needed to review how these cheques were being sent to the centres. La Poste group put in a successful bid on the strength of its extensive national presence, which is critical for this project.

How does the project work?

Cheque transfer "kits" have been produced and are sent to our clients. These kits contain instructions, a booklet of slips to be used when sending the cheques, and pre-addressed envelopes with bar codes. Clients put their cheques into the envelope and post them at a letterbox or branch. La Poste is responsible for sending the cheques on to the processing centres on behalf of Caisse des Dépôts. The envelope is 'flashed' at each stage in the process (processing, transit and distribution). Using an innovative online service, clients such as bank managers can monitor and consult the cheques sent for each bank account at all times. This system means that today, 92% of cheques are credited on D+1 and over 95% of all cheques sent are 'flashed'. A total of 5,000 envelopes are sent every day.

Kosta Kastrinidis

Head of the Domestic cheque and cash mandate unit within the Banking Services division





Governance, decision-making and support functions

→ Since it was set up as a trusted manager of legally protected funds almost two centuries ago, Caisse des Dépôts has been placed "under the supervision of the French Parliament", which is represented by the Supervisory Board. Today, the Group is able to leverage this unique governance model and its underlying enlightened decision-making principles to consolidate its actions to serve the public interest and economic development.

Caisse des Dépôts Group's new strategic focuses have been devised in light of its specific position and its great strengths, not least of which is the capital of trust it enjoys among the general public. This is based in large part on the quality of its human capital and processes, which combine a unique blend of technical, administrative and financial expertise with in-depth local and regional knowledge.

It is this very trust that needs to be consolidated in a new, fast-moving business environment driven by performance-related considerations.

Governance and decision making

[Asues of social responsibility are factored into all of the Group's main governance processes and into its strategic focuses and operating quidelines, as well as figuring among the quantitative and qualitative annual operating targets assigned to the business lines and subsidiaries.

A unique status and governance model

Since its creation in 1816, Caisse des Dépôts has been placed "under the supervision of the French Parliament and the legislative process" (French Monetary and Financial Code) via the Supervisory Board. This process was enhanced in 2008 with the Law on Modernisation of the Economy which set up an Investment Committee to receive all necessary disclosures from the Chairman and Chief Executive Officer concerning the Public Institution and the Group to enable it to carry out its supervisory duties (see pages 84-85).

New strategic and financial management procedures

Caisse des Dépôts has had to develop greater operational flexibility to continue executing its missions and objectives with the required degree of efficiency and this is reflected in a clear strategy setting out its priorities: enterprise, housing, infrastructure/ sustainable mobility/tourism and alternative energies and eco-friendly development. As part of this process, Caisse des Dépôts has recast its decision-making processes and their financial and strategic components. The core businesses most closely bound up with its strategic priorities now have more streamlined "industrial" management structures that render the actions of the different entities more coherent and complementary while harnessing them to overall strategic imperatives. Far from seeking

to centralise the Public Institution's decision-making, these new processes are part of the quest for greater internal synergies and the development of coordinated innovative services. Enhanced coordination between different entities and a clearer overall vision of the Group's action requires divisions built around business lines from the Public Institution and subsidiaries that are structured around a mission or strategic priority. These divisions will then be used to structure and coordinate the main actions of the different entities around a given priority to achieve optimal impact (see pages 14 and 15). As well as setting down markers that clearly identify who is responsible for each sphere of intervention, deployment of these new processes will provide all Group stakeholders with much enhanced visibility.

A unique capital adequacy framework

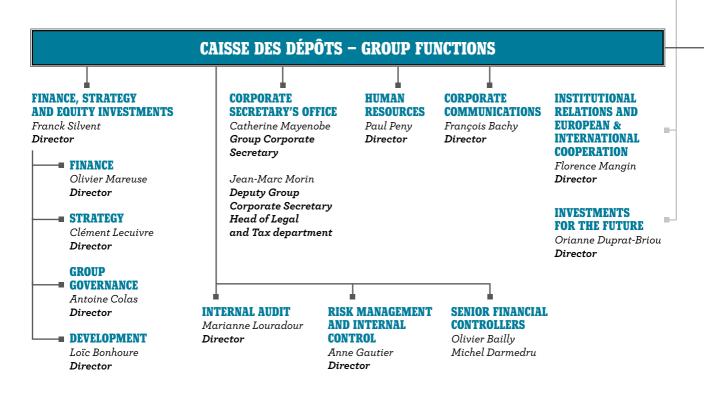
Caisse des Dépôts finances all of its businesses itself without any help from the state budget or taxes. Its income streams are provided by the stable, diversified funds of the Public Institution (investor business) as well as by its subsidiaries and long-term equity interests. Caisse des Dépôts also provides fiduciary management services (notably management of savings funds and pension funds) "at cost", i.e., it does not generate a profit on such operations and is only paid a management fee. On 12 January 2012, the Group's capital adequacy ratios were adopted by the

Supervisory Board, based on the recommendation of the Chairman and Chief Executive Officer and following approval by the French banking and insurance watchdog (Autorité de Contrôle Prudentiel - ACP). The Supervisory Board also fixed the amount of Caisse des Dépôts' equity. The prudential model adopted by Caisse des Dépôts as described above has been specifically tailored to the Central Sector and the Savings Funds and takes account of the business model and management objectives of each. This model covers all the main risks: equity risk, liquidity risk, interest rate risk, credit risk on portfolio securities and on loans granted, real estate risk, foreign exchange risk, operational risk and, for the Central Sector, risks related to subsidiaries and equity interests.

The resulting modelling of risk and of working capital requirements is designed primarily to ensure a very high level of financial security, consistent with the missions entrusted to Caisse des Dépôts. The model is intended to cover all Caisse des Dépôts Group entities in line with their various different businesses.



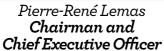
Sophie Quatrehomme Head of the Chairman and Chief Executive's Office



SUBSIDIARIES

CORPORATE FINANCE	HOUSING AND REAL ESTATE	INSURANCE	TRANSPORT, ENGINEERING AND INFRASTRUCTURE	THE KNOWLEDGE- BASED ECONOMY
BPIFRANCE Nicolas Dufourcq Chief Executive Officer QUALIUM	SNI GROUP* André Yché Chairman of the Management Board	CNP ASSURANCES Frédéric Lavenir Chief Executive Officer	CDC INFRASTRUCTURE* Patrick Vandevoorde Chief Executive Officer	FRENCH PATENTS FUND (FRANCE BREVETS) Jean-Charles Hourcade
INVESTISSEMENT* Jean Eichenlaub Chairman	ICADE Serge Grzybowski Chairman and Chief		EGIS Nicolas Jachiet Chairman and Chief	Chief Executive Officer
	Executive Officer		Executive Officer TRANSDEV	
			Jean-Marc Janaillac	

Chairman and Chief Executive Officer



Odile Renaud-Basso

Deputy Chief Executive Officer

CAISSE DES DÉPÔTS - OPERATING DIVISIONS

SAVINGS FUNDS

Odile Renaud-Basso **Director**

BANKING SERVICES

Nathalie Gilly **Director**

PENSIONS AND SOLIDARITY

Anne-Sophie Grave **Director**

REGIONAL AND LOCAL DEVELOPMENT AND NETWORK

Stéphane Keïta **Director**

NETWORK OF 25 REGIONAL OFFICES

Alsace Gil Vauquelin
Aquitaine Xavier Roland-Billecart
Auvergne Francis Cubeau-Rousseau
Britanny Loïc Rolland
Burgundy Aline Morancho
Centre Pascal Hoffmann
Champagne-Ardenne J.-Luc Coopman
Corsica Nathalie Duhamel
Franche-Comté Antoine Bréhard

French Antilles-French Guiana
Richard Curnier
Ile-de-France (greater Paris region)
Catherine Pèrenet
Languedoc-Roussillon Gaëlle Velay
Limousin Barbara Belle
Lorraine Julien Taris
Lower Normandy Florence Mas
Midi-Pyrénées Philippe Lambert

Nord-Pas-de-Calais Dominique Mirada
New Caledonia — French Polynesia
Gérard Perfettini
Pays de la Loire Thierry Ravot
Picardy Céline Senmartin
Poitou-Charentes Christophe Laurent
Provence-Alpes-Côte d'Azur Élisabeth Viola
Reunion – Indian Ocean Olivier Camau
Rhône-Alpes Patrick François
Upper Normandy Éric Dubertrand

BACK OFFICES

André Laurent Michelson **Director, General Cashier**

SUBSIDIARIES

SUSTAINABLE DEVELOPMENT

CDC BIODIVERSITÉ*

Laurent Piermont
Chairman and Chief
Executive Officer

CDC CLIMAT*

Pierre Ducret
Chairman and Chief
Executive Officer

NOVETHIC*

Anne-Catherine Husson-Traore

Chief Executive Officer

SOCIÉTÉ FORESTIÈRE

Gilles Seigle
Chairman and Chief
Executive Officer

LEISURE AND TOURISM

BELAMBRA

Olivier Colcombet
Chairman of the
Management Board

COMPAGNIE DES ALPES

Dominique Marcel
Chairman and Chief
Executive Officer

DIGITAL TECHNOLOGY

CDC FAST*

Charles du Boullay
Chairman of the
Management Board

CDC ARKHINÉO*

Charles du Boullay
Chief Executive Officer

INFORMATIQUE CDC

Maurice Sissoko
Chief Executive Officer

REGIONAL SUPPORT

SCET*

Régis Pélissier Chief Executive Officer

INTERNATIONAL FINANCE

CDC INTERNATIONAL CAPITAL*

Laurent Vigier
Chairman and Chief
Executive Officer

STRATEGIC INVESTMENTS

LA POSTE GROUP SOCIÉTÉ DE FINANCEMENT LOCAL (SFIL) COMPAGNIE NATIONALE DU RHÔNE

Grouf Management Committee as of 1 June 2014



Pierre-René Lemas Chairman and Chief Executive Officer



Odile Renaud-Basso Deputy Chief Executive Officer, Savings Funds Director



Catherine Mayenobe Group Corporate Secretary



Stéphane Keïta Regional and Local Development and Caisse des Dépôts Network Director



Marianne Louradour Director of Group Internal Audit



Florence Mangin Director of Institutional Relations and European & International Cooperation



Olivier Mareuse Group Finance Director



Olivier Colcombet
Chairman of the
Management Board,
Belambra



Pierre Ducret Chairman and Chief Executive Officer, CDC Climat



Nicolas Dufourcq Chief Executive Officer of Bpifrance



Jean Eichenlaub Chairman, Qualium Investissement



Dominique Marcel
Chairman and
Chief Executive Officer,
Compagnie des Alpes



Régis PélissierChief Executive Officer,
SCET



Laurent Piermont
Chairman and Chief
Executive Officer,
CDC Biodiversité



Gilles Seigle Chairman and Chief Executive Officer, Société Forestière

Caisse des Dépôts Group Business Review 2013



François Bachy
Group Corporate
Communications Director



Anne Gautier Group Risk Management and Internal Control Director



Nathalie Gilly Banking Services Director



Anne-Sophie Grave Pensions and Solidarity Director



André Laurent Michelson Director of Back Offices – General Cashier



Jean-Marc Morin
Deputy Group Corporate
Secretary
Head of Legal and Tax
department



Paul Peny
Group Human Resources
Director



Franck Silvent
Director of Group Finance,
Strategy and Equity
Investments



Serge Grzybowski Chairman and Chief Executive Officer, Icade



Nicolas Jachiet
Chairman and
Chief Executive Officer,
Egis



Jean-Marc Janaillac Chairman and Chief Executive Officer, Transdev



Frédéric Lavenir Chief Executive Officer, CNP Assurances



Maurice Sissoko Chief Executive Officer, Informatique CDC



Patrick Vandevoorde Chief Executive Officer, CDC Infrastructure

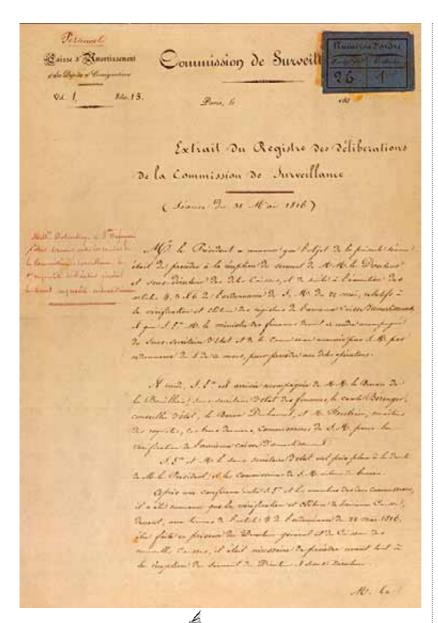


Laurent Vigier
Chairman and
Chief Executive Officer,
CDC International Capital



André Yché Chairman of the Management Board, SNI

Under the protection and supervision of the French Parliament



The Law of 28 April 1816 conferred a unique status on Caisse des Dépôts, designed to guarantee the utmost independence by placing it "under the supervision of the French Parliament and the legislative process" via the Supervisory Board. Caisse des Dépôts' two core governance principles were also set out in the Law of 1816, namely, independence of the Supervisory Board and autonomy of the Chairman and Chief Executive Officer.

Founding legislation

Article 115 of section X of the Law of 18 May 1816 protected Caisse des Dépôts against any arbitrary action by the executive powers by placing it under Parliamentary guarantee, emanating from the Nation, and under the seal of Public Faith. Caisse des Dépôts was assigned a clear governance objective: Parliament, representing the Nation, exercises control over its activities and guarantees its autonomy. It exercises this dual mission through the Supervisory Board which acts as guarantor of Caisse des Dépôts' independence, provides general oversight and control and carries out the missions entrusted to it by law. Once a year, the Chairman of the Supervisory Board presents a report to Parliament which must be approved by the Nation's elected representatives. The Law on Modernisation of the Economy (LME) of 4 August 2008 enlarged and strengthened the role of the Supervisory Board and consolidated parliamentary oversight of the Group.

Extract from the record of proceedings of the very first Supervisory Board meeting.

The Supervisory Board comprises
13 members: three members of the
Chamber of Deputies, two senators,
three eminent personalities (of whom
two are appointed by the President
of the National Assembly and
one by the President of the Senate),
a representative of the Highest
Administrative Court, two representatives
of the Court of State Auditors,
the Governor of the Banque de France
and the Director of the French Treasury.

Duties of the Supervisory Board

The Supervisory Board is tasked with oversight of major decisions, strategic policies, equity interests and management of the Savings Funds and with approving the Caisse des Dépôts' financial statements. The Board is also responsible for framing Caisse des Dépôts' capital

adequacy ratios and determining levels of equity.

Full meetings of the Supervisory Board are held twice monthly and scrutiny and oversight is also provided by a number of Board committees:

- the Audit & Risks Committee created in 2003, chaired by Marc Goua;
- the Savings Fund Committee created in 2003, chaired by Marc Goua;
- the Investment Committee created in 2008, chaired by Henri Emmanuelli;
- the Nominations Committee created in 2008, chaired by Henri Emmanuelli.

COMPOSITION OF THE SUPERVISORY BOARD AT 1 JUNE 2014

Chairman of the Supervisory Board:

Henri Emmanuelli

Member of the Chamber of Deputies, Member of the National Assembly Finance Committee

Members:

Arlette Grosskost

Member of the Chamber of Deputies, Member of the National Assembly Finance Committee

Marc Goua

Member of the Chamber of Deputies, Member of the National Assembly Finance Committee

François Marc

Senator, General Rapporteur for the budget

Jean Arthuis

Senator, Member of the Senate Finance Committee

François Lavondès

Honorary Member of the Highest Administrative Court

Daniel Houri

Senior Counsellor, Court of State Auditors

Jean Picq

President of Chamber, Court of State Auditors

Christian Noyer

Governor of the Banque de France, represented by Robert Ophèle, Deputy Governor of the Banque de France

Ramon Fernandez

Director of the French Treasury, represented by Corso Bavagnoli, Deputy Director, Banque et financement d'intérêt général

N.

(eminent personality to be appointed by the President of the Senate)

Jean-Louis Beffa

Honorary Chairman of St. Gobain (eminent personality, appointed by the President of the National Assembly)

Pierre-Antoine Gailly

Chairman of the Paris Chamber of Commerce and Industry (eminent personality, appointed by the President of the National Assembly)

Secretary of the Supervisory Board:

Nathalie Tessier

Human resources

6.1%

of the Public [notitution's employees have a disability and 4.3% are employed directly.

87%

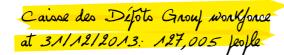
of the Public [notitution's employees have access to training, corresponding to 20,883 days of courses and 4,962 farticifants.

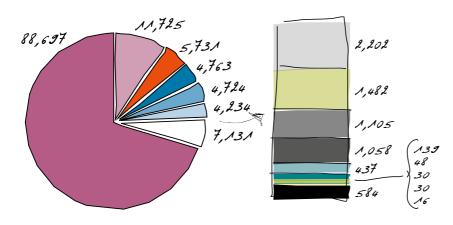
The men and women who make up the Caisse des Dépôts Group are organised according to four underlying principles laid down by the Chairman and Chief Executive Officer:

- working together: the Group's sheer diversity makes it necessary to create multiple opportunities for exchange as well as for career development;
- career support: our internal talent pool needs to receive its due recognition and all employees must be given the means to develop and rise through the ranks;
- accountable managers who oversee the upward and downward flow of information that makes everyone feel part of the working Group community with confidence in his or her abilities;

■ thinking long-term and promoting fruitful social dialogue when the Group is devising the strategic priorities subsequently rolled down to the entities via HR directors and the social partners.

Part of the Group's HR strategy is therefore to promote a crossdisciplinary perspective between different entities, make managers more accountable for their own human resource management, and provide employees with tailored career support.





- Transder

 Egis*
 Caisse des Défots
 CNP Assurances
 Comfagnie des Alfes**
 Groufe SNi

 Bjéfrance
 Tcade
 Trade
 Tide
 Ellambra**
 SCET

 Socidé Forestiere (139)
 CDC Chmat (48)
 Qualium Investissement (30)
 CDC Infrastructure (16)
 Autres fibiales
- *[ncluding operating entities inside and outside France.
- ** Average number of employees in 2013

87

My job in 3 words...



Laurence Crevisier

"listening, analysing, creativity"

I work as a career development advisor in the Public Institution's HR department. Together with my two colleagues, we provide skills assessments known as Cap 35, Cap 45 and Cap 55 because they are available to employees who have reached these ages. The employees in question are generally offered the assessment but the service is also available to other people working for the Public Institution.

There are three steps involved. First we focus on the employees' current skills. Then we look at their way of working and dealing with other people together with their professional values and motivation. Lastly, we analyse wishes and expectations so that we end up with a coherent and realistic professional development plan. Cap 35, 45 and 55 may be provided as part of a mobility programme but they can also be used to reposition people within their current line of business or to target new training possibilities.

The whole process takes time – on average between five and seven meetings over a six month period – but it is a really valuable opportunity for exchanging and reflecting, structured entirely around the employee. What I really love about this job is meeting people who are so different in terms of their career paths, personalities and positions. I learn a lot about myself through others and each meeting gives me a deeper understanding of our businesses and organisation."

Laurence Crevisier,

Career development advisor

The word from HR...



Anne-Lise Voisin-Pelliet, Transder

Transdev has almost 87,000 employees across the globe and 80% work as drivers or in maintenance. This means that our HR issues and imperatives are a little different from those of other Caisse des Dépôts subsidiaries. Since the Veolia Transport—Transdev merger, the overriding issue has been to forge a common DNA and corporate culture built around jointly-defined values of passion, performance, partnership and commitment. In-house, we want every employee to embody these cross-disciplinary values so as to forge a sense of belonging. In the outside world, we want to use these values to build on our reputation.

We have invested a lot of energy in devising employee development and training programmes. We also continue to promote the Group and our businesses in every way possible to boost our profile as well as the attractiveness of the Transdev brand. We have developed links with schools and universities to attract a new generation of employees and we are also careful to focus on our role in the local community as a provider of employment and skills. Transdev has put down firm roots in all communities in which it is present. We always try to promote the business, develop employment prospects and work-study programmes and foster loyalty among employees. As we say to job applicants: if you dream of a career that will take you places, you're on the right track!"



Patrick Deduytochaever, SNi grouf SNI has a huge diversity of skills within its ranks and HR's role is to partner employee development in order to forge a common corporate culture that provides a platform for group strategy.

In 2013, three major projects were launched. First, we felt a need for enhanced employee dialogue and faster, clearer communication. We also set up a collaborative HR network to create forums for exchanging and pooling experiences. Finally, we wanted to improve knowledge of SNI's businesses to favour mobility and devise tailored training initiatives.

All of these programmes will continue in 2014 and new initiatives will be launched. Our pool of managerial skills will be assessed through a comprehensive review of management grade employees. SNI will also move into the digital age with paperless employment contracts and digital safe technology. Finally, we have initiated a general review of the role of seniors within the group to provide support for the second-half of employees' careers through to retirement."

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Caisse des Dépôts Group Business Review 2013



Following the creation of Bpifrance, the key HR issue was to forge a diverse community comprising teams from finance (Oséo) and investment backgrounds (CDC Entreprises, SIF and Regional SIF). The process was structured around three core principles: respect for the different businesses, cross-disciplinary perspective and reciprocal knowledge underpinned by the values of the Bpifrance brand, namely, "serving the future through a strong local presence, simplicity, strong will and optimism". In concrete terms, a framework agreement was signed in June 2013 on the back of a fruitful dialogue with employee representative bodies. It sets out the different phases involved in constructing social dialogue in the Bpifrance group as well as how the group fits into Caisse des Dépôts' employee relations framework. From an employee relations perspective, it was Bpifrance's founding charter. We are currently working on the final operational deployment phase following the creation of Bpifrance (October 2013), the finalisation of the new organisation structure (October 2013) and the transfer of all Paris-based teams to the same site (November 2013) following the reorganisation of employees from the Investment division into a single operating entity (March 2014). All HR policies (recruitment, training, diversity, etc.) are guided by the same guest for a cross-disciplinary perspective and reciprocal knowledge as well as enhanced recognition for the skills of each and every employee. This social construction process will continue apace in the second-half of 2014 with negotiation of the first Bpifrance collective bargaining agreements on mobility, social dialogue, quality of work environment and employment of people with disabilities. They will help to give a whole new social dimension to Bpifrance."

GROUP SOCIAL REPORT

The social report is a legislative requirement and it gathers all of an entity's social data and figures into one document for information, consultation and planning purposes.

Caisse des Dépôts' social report was first prepared in 1989 and presents an overview of the Group's performance in terms of jobs, pay, working conditions, healthcare, security and training, etc. It is used for a wide variety of purposes both by the Group and external stakeholders, e.g., as a basis for collective bargaining, for comparing different Group entities and as a source of information for employees. It may also be used as a working tool by CSR rating agencies.

The social report is coordinated and prepared by the Human Resources division which devises the framework, consolidates data for 42 different entities and drafts the final version. It is a collective effort and the Group social reporting network tries to introduce new ideas every year.

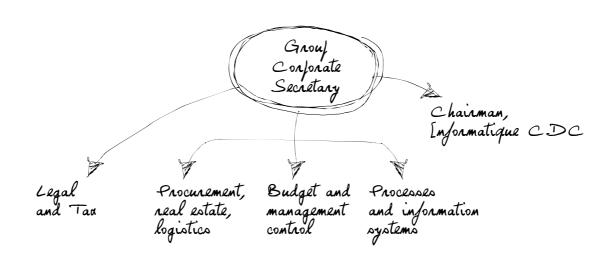


The Group Social Report together with related data are all available at www.caissedesdepots.fr

Corporate Secretary's Office

The Group Corporate Secretary's Office comprises the Legal and Tax department together with the Public Institution's administrative services. The Corporate Secretary is also Chairman of Informatique CDC, IT service provider to Caisse des Dépôts and certain Group entities. In 2013:

- the Legal and Tax department was reorganised and streamlined to make greater use of existing skills. It was closely involved in some of the year's main strategic operations (Banque publique d'investissement [BPI], fiduciary management operations, Novo and Viager funds, etc.);
- as part of the property development plan, the Procurement, real estate and logistics department continued the drive to improve the quality of the Group's business premises (renovation of the entrance lobby of the rue de Lille headquarters, transfer of the Languedoc-Roussillon office to a new low-energy building, etc.);
- the Budget department has applied the broad budgetary guidelines set down by Group management: five-year multi-annual expenditure framework, reduction of current operating expenditure on real estate, support with operational oversight of expenditure and analysing the costs of entities affiliated to the Public Institution, upgrading of management control software;
- the Processes and IT department in liaison with I-CDC devised a medium-term (five-year) information systems plan, validated by the Supervisory Board, and implemented the IT strategic guidelines coordinated by the Public Institution IT Strategic Committee which is convened monthly by the Group Corporate Secretary.



My job in 3 words...



[sabelle Delamour

"facilitating,
agility, froximity"

I am in charge of local HR management, change enablement, communications, budgetary oversight and internal control in the Procurement, real estate and logistics department, which is part of the Corporate Secretary's Office. My department has over 200 people and manages a real estate investment budget of €14 million. Our challenges and priorities are the same as those of any support function: delivering high quality services at the best possible price that are tailored to the needs of our internal clients but that also comply with standards and regulations that can be onerous from a user perspective. The difficulty is to constantly juggle the actual service provided around these constraints.

Along with my team, we deploy these functions based on a strategy devised from a cross-disciplinary perspective and my role as Assistant Director is essential to ensuring that the whole process actually works. We need to ensure that our staff gain full recognition for what they do day in, day out. They need a structured career support programme that allows them to develop and grow and take on new responsibilities, based on clear, simple working arrangements that are underpinned by freely disseminated information, cooperation and a cross-disciplinary perspective.

We used the findings of the 2012 employee satisfaction survey to launch a major concerted and participative review process within the Corporate Secretary's Office in 2013. I headed up this process involving more than 50 people working in the Corporate Secretary's Office. It culminated in the deployment of a number of new applications including an enhanced intranet, better induction procedures for new hires and more opportunities for different teams to meet and to take the time to celebrate all of our successes."

Isabelle Delamour,

Assistant to the Procurement, real estate and logistics director

Corporate communications and patronage

The Corporate Communications Department, which was reorganised in 2013 for greater visibility, played a key role in ensuring the successful completion of the strategic plan. The approach was intended to be resolutely transparent and instructive: regular communication with all employees; monthly interviews with the Director of strategy posted on the intranet; recap of strategic priorities; a flyer summarising developments accompanied by a letter from the Chairman and CEO sent out to all employees of the Public Institution and circulated to the subsidiaries via the network of communication and HR directors. This phase was cemented by the first Group convention signed in front of almost 3,000 people in November 2013.

The press conference to announce the Group's results in early April provided another highlight in the Group's communication calendar. It was the culmination of a concerted effort throughout the Group from the regions up. In terms of external communications, the big development during the year was the launch of a new monthly Group Letter to showcase flagship developments within CDC more effectively to around 1,500 elected representatives and journalists in both the specialist and general media. We also continue to move further into the digital age via Internet, fluid book, cross media, video, Twitter, etc.

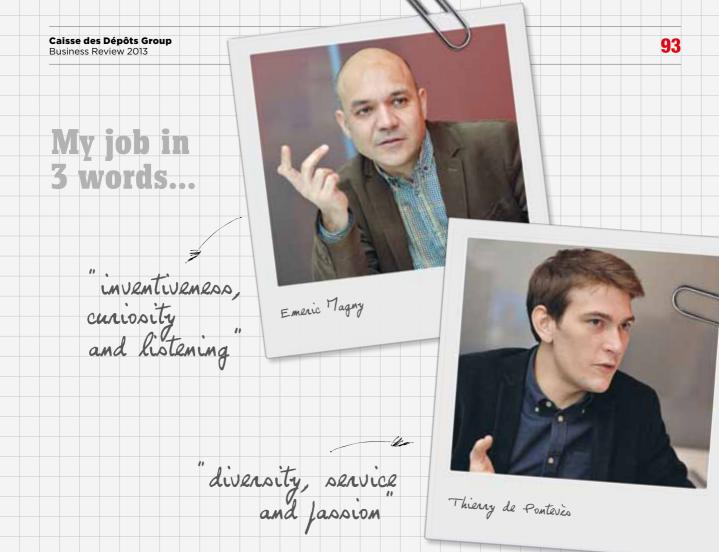
A YEAR OF TRANSITION FOR OUR CORPORATE PATRONAGE PROGRAMME

The programme to boost literacy was in the news in 2013 as it was earmarked as a Major national priority by the French Prime Minister's Office following a petition submitted by a group comprising 65 representatives of French society that included Caisse des Dépôts.

A plethora of events, concerts and exhibitions were organised by Marseille Provence 2013 as part of the Marseille European capital of Culture celebrations. Caisse des Dépôts sponsored the Grand Projet Quartiers creative project aimed at putting the final touches to local and regional urban development. The year was marked by the centenary celebrations of Théâtre des Champs-Élysées which put on a number of widely acclaimed shows.

2013 was also a year of transition as we moved towards a programme in phase with the Group's strategic priorities. The new policy is based on patronage that is initiated directly by Caisse des Dépôts and not merely on co-financing external initiatives, reflecting a switch from a demand- to a supply-based mindset.

The new approach will be structured around the theme of new talent and will operate on three different levels: giving young talent free rein for expression, spotting young talent and partnering young talent.



Our job is to keep the Internet websites and the Intranet up to date. It means listening to and exchanging with people. We work closely with teams from all entities to optimise online content or create new sections. We are organised by network: the network of website contributors already exists and we need to build business line networks to be able to pool certain projects, practices and experiences or track online media trends. In other words, forge a genuine web-based Group culture. In our line of work, you need to focus on content, the Group's various missions and the underlying technical dimension used to build the website. We are also involved in the more creative aspects like website design and multimedia tools.

At the moment, we are also part of the project team tasked with revamping the Group's main website: we need to work on site positioning and key messages and obviously, we need to look after the technical end of things as well. Devising a digital house style is another current project: the aim is to get our visual identity known on the web which is now being consulted using a whole host of different screen types. Making our content accessible to visually impaired and hard-of-hearing people is also something we give a lot of thought to.

Our job involves working to very tight deadlines. The workload has to adapt to the latest news and you have to deal with this while it's still "hot". But no two projects are ever the same and we need to constantly innovate and come up with new ideas as the Internet is a world of endless possibilities!"

Émeric Magny,

Head of the Web Architecture team

Thierry de Pontevès, Multimedia project manager

Institutional relations and European and international cooperation



E 2,000 BILLION

the combined total value of assets managed by members of the European Association of Long term investors

E 710 MILLION
Targuerite Fund

E 385 MILLION Engra Ted Fund

At national level, because it is under the protection of the French Parliament and tasked with partnering national and regional government policy, Caisse des Dépôts is constantly liaising with national and regional decision makers.

Caisse des Dépôts also vigorously defends its interests both at the National Assembly and the Senate. This lobbying work is conducted in close liaison with the business lines and subsidiaries and in 2013 for example, CDC was able to contribute to the law-making process and consolidate its positions on key legislation in sectors affecting its business (housing, pension reform, finance laws, etc.). It also contributed its expertise to parliamentary briefings by organising hearings with directors or internal experts.

The same type of lobbying takes place at European and international level. Caisse des Dépôts has had an international development strategy since 2007 which it has used to actively promote long-term investment as a driver for sustainable economic growth. It was especially active in the whole review process that culminated in the adoption of the 2013 Green Paper on long-term financing of the European economy. On 4 December 2013, in a high-level public debate to mark the fifth anniversary of permanent CDC representation in Brussels, Jean-Pierre Jouyet stressed that a long-term financing perspective was one of the key imperatives for getting Europe back on the path to sustainable development and sustainable job creation. The Group's efforts focus

mainly on developing a more conducive overall European prudential, accounting and tax framework together with more suitably adapted financial instruments and it actively lobbies at both EU and international level.

Caisse des Dépôts is now widely recognised for its expertise and capacity to intervene in support of public policies. Its institutional relations strategy is firmly focused on like-minded partners with similar concerns that participate in the forums it has helped to establish such as the Long-Term Investors' Club (www.ltic.org), the Caisses de Dépôt forum and the European Association of Long-Term Investors, created in June 2013.



My job in 3 words...

Our team is in charge of national institutional relations and it has three core missions:

 identifying upcoming legislation that could impact our businesses and circulating it to the Group entities concerned in order to devise a concerted lobbying strategy;

- outlining our positions as the various different bills go through parliament as part of our mission to act in the public interest;
- courting and strengthening favourable relations with the French Parliament by organising meetings with the standing committees of the two houses.

I also get involved in specific financial, economic — including housing and transport — and sustainable development issues. The job is very stimulating and you need to be really proactive. It's fairly cyclical because the whole activity is tied to the legislative process. You have to be constantly on the look-out and know how to analyse the various issues from the Group perspective, the underlying political context and the balance of power between the different stakeholders."

Lise Bazalgette,

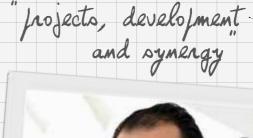
Head of relations with the French Parliament

Some of our major international projects are currently located in North Africa, sub-Saharan Africa, Brazil and China and our aim is to partner public and private financiers involved in large-scale ventures. Bilateral agreements have been signed with Caisses des Dépôts in Africa to develop the Group's activities in these countries and create growth opportunities for the French economy. We leverage the Caisses de Dépôt forum (1) which brings 15 like-minded institutions together around subjects of common interest (infrastructure, corporate finance, housing and urban development). Our goal is to get involved in concrete projects that reflect our missions in a spirit of mutual cooperation. Take the timber industry in Gabon for example. We have put the Group's expertise to work in developing markets around second and third stage processing of wood. This cooperation offers opportunities for French industry and expertise and value added for the local economy! We are able to get all of the Group's stakeholders on board, set up partnerships and track progress over time. Contributing to economic development as part of a win-win approach makes for a really exciting business challenge!"

Mohamed Ali Mzali,

Project manager in the International division

(1) www.forumdescaissesdedepot.com





Risk Management and Internal Control

500 market counterfarties analysed

1,600

decisions issued by
the Commitments Committee

The Risk Management and Internal Control department (*Direction des risques et du contrôle interne* – DRCI) heads up the Group's risk network and coordinates the Public Institution's Risk Committee, chaired by the Chairman and Chief Executive Officer. It provides the Group with risk oversight tailored to its economic, financial and regulatory environment and submits a half-yearly consolidated Group risk report to the Supervisory Board.

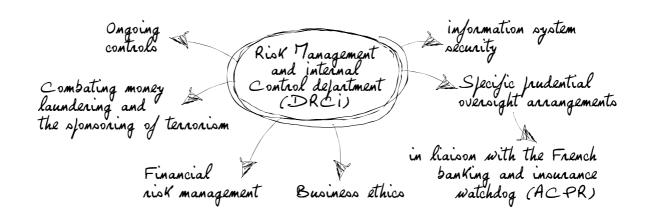
DRCI has upgraded its ongoing controls of risks in the Public Institution and the subsidiaries based around tighter control implementation.

DRCI is also tasked with validating prudential and balance sheet oversight models based on recommendations concerning proposed changes to the prudential frameworks of the two reporting entities, and Group-wide stress testing procedures (that include a range of scenarios and stress levels together with dynamic balance sheet

risk management for the two reporting

entities) to clarify governance decisions, especially regarding allocation strategies. 2013 was given over to factoring the subsidiaries' risk exposure more effectively into both the Central Sector's prudential model and prudential regulatory reporting requirements.

Combating money laundering and the sponsoring of terrorism is a legal obligation for the Group. The related regulations, procedures and risk assessment methods implementing the third EU Directive into French law are all operational in the Public Institution and the subsidiaries and a permanent officer to liaise with the French government anti-money laundering agency (Traitement du renseignement et action contre les circuits financiers clandestins - TRACFIN) was appointed in 2013. Finally, a Data Protection Officer was also appointed in 2013 to head up and coordinate the Group's drive to secure data protection processes and protect personal data.





We intervene in three areas: assisting the business lines for whom IS security is mission critical, building pooled technical platforms and raising awareness of IS security among employees. This means that we work not just with Caisse des Dépôts' business lines but with all group entities. Our work also has a cross-disciplinary focus that involves developing poolable technical platforms that are useful for everyone. Authentication solutions and e-trust services are good examples of this. Upgrading projects to develop paperless applications (e.g., banking services) need these platforms to be able to provide secure transactions.

At the end of the day, every security solution has to strike a balance between specific needs and pooling imperatives and we aim to cover the risks without adversely affecting user operations. Every application is subsequently tested by control processes such as intrusion tests that simulate attacks on sensitive assets.

Aside from technical expertise, we educate users around the idea that IT security concerns each and every one of us and it is our IT assets that are at risk here! We organise morning sessions to raise employee awareness and we have developed e-learning modules that allow anyone to test and enhance their knowledge in this area. In 2013, we put out an updated version of the IS user charter and this year we will be revamping security directives and making them more operational. Our work is also part investigation: there are almost daily attempts to break into our IT systems (malicious code attacks targeting our internal users and cyber-attacks, etc.) so you have to enjoy getting inside the limitless imaginations of hackers to be able to deal with them."

Nicolas Burtin,

Deputy head of Group information systems security

Vincent Couillet,

Security expert - Group information systems



Results of Caisse des Dépôts Group for 2013

After posting a net loss in 2012 due to non-recurring items, Caisse des Dépôts returned to profit in 2013, enabling the Group to consolidate its position both in France and across the globe. Caisse des Dépôts is a major contributor to the national budget, with a total outlay of almost €1.4 billion.

- Caisse des Dépôts Group posted attributable net profit of €2.137 billion in 2013 compared with an attributable net loss of €454 million in 2012. This figure includes three non-recurring items:
- a €1.2 billion gain on assets transferred to Bpifrance;
- a €0.3 billion write-down of Caisse des Dépôts' equity investment in La Poste, based on a revised estimate of the contingent consideration payable to the State under the agreements signed in 2011. This write-down brings the value of the Group's stake back to the amount initially recognised when it acquired the investment;
- impairment losses of €0.1 billion taken by Transdev Group, broadly attributable to its investment in SNCM.
- Recurring profit (i.e., excluding non-recurring items) dropped €0.2 billion on the year to €1.35 billion, due to low interest rates that weighed on margins.

 Recurring profit is a measure of the Group's economic performance and corresponds to the recurring profit of the Central Sector as well as the Group's share in the recurring profit of its subsidiaries.

44 As France's leading investor in equity, infrastructure and housing as well as a key partner in projects to finance the energy transition in France, Caisse des Dépôts remains more committed than ever to national economic development. Caisse des Dépôts Group delivered attributable net profit of €2.137 billion for the year ended 31 December 2013 (including non-recurring items). Recurring profit for the year came in at €1.35 billion and attributable equity at €27.5 billion has now been restored to pre-financial crisis levels. These good results are also reflected in the performance of the Savings Funds which generated a net profit of €443 million for the period.**

Jean-Pierre Jouyet, Chairman and Chief Executive Officer of Caisse des Dépôts Group until 16 April 2014 Recurring profit does not include gains and losses and impairment of equity portfolios, or non-recurring items such as the creation of Bpifrance in 2013 or the write-down of CDC's stake in La Poste. Net banking income rose 3% in 2013 to €3.6 billion, mostly on the back of a better year in the Group's institutional investor business where charges for other-than-temporary impairment came out lower than in 2012. Consolidated operating expenses dropped 5% year on year to €1.97 billion, due largely to the effect of changes in the scope of consolidation. Attributable equity grew significantly from €23.7 billion at 31 December 2012 to €27.5 billion at 31 December 2013. thanks to the combined impact of net profit for the year and higher unrealised capital gains generated by the ongoing bull market (the CAC 40 index rose by 18% in 2013).

■The Caisse des Dépôts division contributed €480 million to consolidated net profit in 2013 (excluding nonrecurring items), compared with €336 million in 2012. Excluding the gain on assets transferred to Bpifrance (€1.2 billion) and the estimated contingent consideration payable on CDC's stake in La Poste (€0.2 billion), the Caisse des Dépôts division's contribution to consolidated net profit jumped 43% year on year to €480 million. Net banking income grew 16% on the year to €1.16 billion. This reflected the combined impact of lower impairment charges taken against the equity portfolio due to the ongoing bull market, offset in part by weaker vields on fixed-income securities as interest rates remained at an all-time low.

■ The subsidiaries and long-term equity interests added €232 million to net profit in 2013, compared to a negative contribution of €790 million in 2012. Results in 2012 were badly hit by significant write-downs taken on participating interests carried on the books of the Strategic Investment Fund (SIF).

CNP Assurances

CNP Assurances' net profit jumped 8.3% to €1.03 billion for the year (versus €951 million in 2012), after the recognition of €63 million in impairment losses on its Cypriot subsidiary. Premium income rose 4.6% to €27.7 billion on the back of continuing growth in Latin America, especially in Brazil. CNP's contribution to net profit grew 12.8% in 2013 to €406 million, up from €360 million in 2012.

La Poste

La Poste posted net profit of €627 million for the year. Caisse des Dépôts subscribed to €334 million of La Poste's €600 million capital increase, bringing the Group's ownership interest to 26.32% at 31 December 2013. La Poste contributed a negative amount of €314 million to consolidated net profit for the year, compared with a positive amount of €109 million in 2012. This was attributable to the remeasurement of our equity interest in line with the changes in La Poste's business model since 2010, and the resulting €0.3 billion net write-down taken during the period brings the value of the investment back into line with the acquisition price (\in 1.6 billion).

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Bpifrance

Bpifrance was set up in July 2013 and posted a net profit of €386 million for the second half of 2013.

It generated a negative contribution of €30 million to Caisse des Dépôts' net profit for 2013 as a result of consolidation adjustments arising mainly on valuation differences on certain assets transferred to Bpifrance, between the financial statements of Caisse des Dépôts Group and those of Bpifrance. However, this should be seen in the context of the €1.2 billion gain recognised in parallel by the Central Sector.

Icade

Icade's contribution to net profit leapt from €22 million in 2012 to €50 million this year, on the back of the consolidation of Silic with effect from 22 July 2013. It posted a solid performance despite tough market conditions and net operating cash flow was 1.2% higher than in the prior year.

Société nationale immobilière (SNI)

SNI's contribution to the Group's consolidated net profit grew 15.5% to €134 million, versus €116 million in 2012.

Compagnie des Alpes (CDA)

CDA contributed €1 million to consolidated net profit for the year, down from €11 million in 2012, reflecting profit of €2 million for 2013 versus €28 million one year ago. This decline was the result of write-downs taken on certain leisure parks despite revenues holding firm at €678 million.

Egis

Egis' contribution to net profit dipped slightly in 2013 to €29 million, versus €31 million in 2012. The backlog is at an all-time high of €1 billion, 57% higher than this time last year.

Compagnie Nationale du Rhône (CNR)

CNR's contribution to Caisse des Dépôts' net profit slipped from €73 million in 2012 to €68 million this year due to lower electricity prices which outweighed higher levels of activity. Operating income was virtually unchanged at €361 million.

CDC Infrastructure

CDC Infrastructure contributed €24 million to the Group's net profit.

Transdev group

Transdev group generated a negative contribution of €65 million to consolidated net profit for 2013. Excluding impairment losses (mostly on SNCM), operating income jumped from €43 million last year to €83 million in 2013.

The Group's investments

The Central Sector's portfolio of financial assets provides Caisse des Dépôts with the income streams needed to fund its actions. The assets are invested from a long-term perspective in order to obtain a regular and recurrent yield with a tightly-managed risk profile in compliance with the Group's Responsible Investment Charter.

Bond portfolios (€30 billion): combining prudence with innovation

Bond holdings are divided between two main portfolios:

■ a long-term fixed-rate portfolio, with held-to-maturity investments, which mainly invests in bonds issued by European governments, supranational and government agencies;

a shorter-term loan portfolio, designed to leverage the yield spread of private issuers.

The long-term portfolio invested exclusively in French treasury or similar bonds for an amount of €3.4 billion in 2013, and its value increased by €0.6 billion. Owing to the fall in interest rates, the portfolio's average yield continues to narrow, to around 3.3% (compared to a 2.2% yield on 10-year French treasury bonds in 2013). Trading strategies helped further reduce the portfolio's risk profile and 94% of the portfolio is now rated AA- or above.

The Group diversified its loan portfolio – previously entirely at floating rates – to incorporate a new fixed-rate segment. Investments topped €800 million, despite narrowing credit spreads. The prudent diversification into emerging country sovereign bonds continued in 2013 with an investment of €0.2 billion. Since these securities

are not denominated in local currencies, they were not affected by the significant fluctuations in emerging country currencies observed during the year. There were no incidents of default connected with this portfolio which continues to generate highly satisfactory returns.

Caisse des Dépôts also invested in debt funds and spearheaded the launch of the two Novo market funds (invested in private bonds issued by SMEs and mid-caps), with over €1 billion in total funds raised, including a €50 million commitment from the Central Sector. The portfolios generated total income of €887 million in 2013.

European equities (€11.5 billion): a bullish market environment

This portfolio, which excludes equity investments in listed companies, consists of long-term investments in around 100 French and European listed equities. Bullish financial markets in 2013 gave equities a boost, pushing the CAC 40 index up 18%. Profit-taking by the Group was modest at €208 million, well below the rise in unrealised capital gains. Combined with the prudent provisioning policy adopted over the last few years, unrealised gains were

observed on virtually all equity portfolios. Dividends totalled €431 million. The dividend payout ratio was down on 2012's exceptional figure but remains higher than 3.3%, which is above the market rate and is also above its long-term trend. The portfolio significantly outperformed its benchmark index, growing 20.1% against a market average of only 2.8%. This impressive performance is attributable to investments in a selection of dynamic equities, particularly in the aerospace sector, and is all the more remarkable given the portfolio's defensive investment strategy which can be a hindrance during a bull run such as that seen in 2013. Over five years, which is the term best aligned with the management strategy, the portfolio outperformed the market by 14%. As well as large caps, the portfolio also holds over €500 million of investments in listed - mainly French -SMEs and mid-caps. These investments were also boosted by buoyant markets, gaining 23.4% over the year. As usual, Caisse des Dépôts fulfilled its role as responsible investor during the year, voting at all of the shareholders' meetings of the companies in its portfolio and maintaining a fruitful dialogue with the management of said companies on environmental, social and governance issues.

Real estate (€3.4 billion): more of a sellers' than a buyers' market

In 2013, Caisse des Dépôts' real estate portfolio had a gross value of €3.4 billion. It also showed unrealised capital gains of €1.1 billion. Diverse acquisitions

were made for a total of €300 million, including three office buildings on the outskirts of Paris, two developments under construction in Paris - including new housing - and a forest in Brittany. However, given that the highest quality assets in prime locations continue to command sky-high prices, the Group adopted a selective approach. Various small-scale sales helped streamline the portfolio and unlock capital gains. In the wake of the Grenelle environmental conference, an energy retrofit plan was approved aimed at improving the energy performance of all directly-owned real estate assets. In the middle of the year, Caisse des Dépôts took delivery of a first office building to carry the BBC Rénovation label, awarded to energy retrofit projects meeting the strictest energy performance standards. The building is located in the centre of Paris and will be leased to a major European bank.

Diversification

Caisse des Dépôts holds predominantly French or European financial assets, consistent with the missions entrusted to the Public Institution. However, with a view to increasing diversification, the portfolio also has marginal investments in international funds, which are delegated to internal or external asset management companies.

These concern non-European equities (around €0.7 billion) and international venture capital funds (€0.8 billion). In all of these segments, performance was consistent with benchmark indices and boosted by vibrant equity markets in developed countries.

Back Office operations

E13.2 BILLION

in assets under management on average in 2013

E327 BILLION

in assets held in custody on average in 2013

E638 BILLION

of capital exchanged in mass-market operations in 2013 The Back-Offices division (DEOF) continued to roll out its strategy in 2013, striving for enhanced performance, cost control, effective risk management and high-quality service. Several large-scale projects were successfully completed, including changing the custody account-keeper (Hermès), re-assuming management over cash flows relating to internal departments (Esope) and over settlements with La Banque Postale and Natixis (Oreste), and incorporating banking-related invoices in the software application tracking running costs (AFP).

The second half of the year saw the launch of project EMIR (European Market Infrastructure Regulation for OTC derivatives) under the supervision of the Financial Instruments department. This ambitious new project is being rolled out in coordination with the Finance divisions (proprietary and Savings Funds), the Risk Management department and the Legal and Tax department, and in 2013 led to a joint

call for tenders to select clearing agents as well as the introduction of an electronic confirmation process and portfolio reconciliation.

The Back-Offices division remains a service provider of choice for internal pension fund mandates managed by the Pensions and Solidarity division, as well as for the Pensions reserve fund (FRR) and the Civil services supplementary pension scheme (ERAFP). It also assists holders of mandates entrusted to Caisse des Dépôts for managing deposits placed by the notarial profession and by courtappointed administrators, as well as holders of mandates managing social security funds (ACOSS).

Consolidated income statement, year ended 31 December 2013

(in millions of euros)	31.12.2013	31.12.2012 Restated ⁽¹⁾
Interest income	1,429	1,725
Interest expense	(977)	(1,062)
Fee and commission income	80	91
Fee and commission expense	(50)	(40)
Gains and losses on financial instruments at fair value through profit or loss, net	113	(132)
Gains and losses on available-for-sale financial assets, net	890	674
Income from other activities	4,589	4,580
Expenses from other activities	(2,425)	(2,303)
Net banking income	3,649	3,533
General operating expenses	(1,969)	(2,073)
Depreciation, amortisation and impairment of property and equipment and intangible assets	(263)	(264)
Gross operating profit	1,417	1,196
Cost of risk	(55)	(235)
Operating profit	1,362	961
Share of profit (loss) of equity-accounted associates	(229)	(2,311)
Share of profit (loss) of equity-accounted joint ventures	219	202
Gains and losses on other assets, net	1,636	24
Change in value of goodwill	(15)	162
Profit (loss) before tax	2,973	(962)
Income tax expense	(671)	(354)
Net profit (loss) from discontinued operations	(4)	
Net profit (loss)	2,298	(1,316)
Non-controlling interests	(161)	862
Net profit (loss) attributable to owners	2,137	(454)

Consolidated statement of comprehensive income

(in millians of auros)	31.12.2013	31.12.2012 Restated ⁽¹⁾
(in millions of euros) Net profit (loss)	2,298	(1,316)
Items not to be reclassified to the income statement	2,230	(1,010)
Actuarial gains and losses on post-employment defined benefit obligations	8	(12)
Actuarial gains and losses on post-employment defined benefit obligations – equity-accounted associates and joint ventures	(1)	(50)
Total items not to be reclassified to the income statement	7	(62)
Items to be reclassified to the income statement		
Exchange differences on translation of foreign operations	(7)	(2)
Fair value adjustments on remeasurement of available-for-sale financial assets	1,216	3,599
Fair value adjustments on remeasurement of hedging instruments	200	(149)
Items to be reclassified to the income statement recognised directly in equity – equity-accounted associates and joint ventures	328	954
Total items to be reclassified to the income statement	1,737	4,402
Total income and expense recognised directly in equity	1,744	4,340
Net profit (loss) and total income and expense recognised directly in equity	4,042	3,024
Attributable to owners	3,750	2,906
Attributable to non-controlling interests	292	118

⁽¹⁾ The standards on consolidation and the amended IAS 19 – Employee Benefits discussed in Note 2 "Summary of significant accounting policies" are applicable retrospectively with effect from reporting periods beginning on or after 1 January 2013. Accordingly, the financial statements relating to previous reporting periods and included for comparative purposes have been restated. The impact of applying these standards is set out in Note 3 "Application of IFRS 10, IFRS 11, IFRS 12, IAS 27, IAS 28 and IAS 19".

Consolidated statement of financial position, at 31 December 2013

(in millions of euros)	31.12.2013	31.12.2012 Restated ⁽¹⁾	01.01.2012 Restated ⁽¹⁾
Assets			
Cash and amounts due from central banks and post office banks	325	3,672	5
Financial assets at fair value through profit or loss	1,993	2,830	6,071
Hedging instruments with a positive fair value	662	720	484
Available-for-sale financial assets	48,335	51,764	56,409
Loans and receivables due from credit institutions	17,067	7,491	11,426
Loans and receivables due from customers	10,357	7,391	6,229
Cumulative fair value adjustments to portfolios hedged against interest rate risk			
Held-to-maturity investments	21,048	20,872	20,557
Current and deferred tax assets	596	557	477
Prepayments, accrued income and other assets	7,142	8,622	8,891
Non-current assets held for sale	11	16,558	117
Investments in equity-accounted associates and joint ventures	19,844	9,200	10,933
Investment property	13,308	13,288	9,824
Owner-occupied property and equipment	1,593	1,580	1,532
Intangible assets	353	324	517
Goodwill	455	455	461
Total assets	143,089	145,324	133,933
Liabilities and equity			
Due to central banks and post office banks			
Financial liabilities at fair value through profit or loss	4,477	5,191	4,841
Hedging instruments with a negative fair value	1,775	1,994	1,436
Due to credit institutions	20,423	22,274	13,457
Due to customers	49,325	49,173	49,077
Debt securities	27,709	23,222	24,631
Cumulative fair value adjustments to portfolios hedged against interest rate risk			
Current and deferred tax liabilities	1,757	1,047	510
Accruals, deferred income and other liabilities	5,997	4,766	6,534
Liabilities related to non-current assets held for sale	1	524	109
Provisions	530	531	550
Subordinated debt	1	1	
Equity attributable to owners			
Reserves and retained earnings	19,188	19,860	20,109
Gains and losses recognised directly in equity	6,135	4,284	837
Profit (loss) for the year	2,137	(454)	206
Total equity attributable to owners	27,460	23,690	21,152
		10.011	11,636
Non-controlling interests	3,634	12,911	11,030
Non-controlling interests Total equity	3,634 31,094	36,601	32,788

⁽¹⁾ The standards on consolidation and the amended IAS 19 – Employee Benefits discussed in Note 2 "Summary of significant accounting policies" are applicable retrospectively with effect from reporting periods beginning on or after 1 January 2013. Accordingly, the financial statements relating to previous reporting periods and included for comparative purposes have been restated. The impact of applying these standards is set out in Note 3 "Application of IFRS 10, IFRS 11, IFRS 12, IAS 27, IAS 28 and IAS 19".

Consolidated statement of changes in equity, 1 January 2012 to 31 December 2013

	Reserves and retained earnings		and losses red directly in equ		Net profit (loss) attributable	Equity attributable to owners	Non- controlling interests	Non- controlling interests	Non- controlling interests in	Non- controlling interests	Total equity
(in millions of euros)	currings	Translation reserve	fair value adjustments	Cumulative fair value adjustments to cash flow hedges	to owners	to owners	increase	in gains and losses recognised directly in equity	profit (loss)	incresto	
Equity restated at 1 January 2012 ⁽¹⁾	20,109	(44)	1,383	(502)	206	21,152	11,932	(848)	552	11,636	32,788
Effect of changes in accounting methods											
Appropriation of 2011 profit	206				(206)		552		(552)		
2011 dividend	(103)				(200)	(103)	(332)		(002)	(332)	(435)
Transactions with non- controlling interests	(24)			18		(6)	763	(18)		745	739
Other movements	(328)	1	10	(1)		(318)	710	30		740	422
Loss for the period					(454)	(454)			(862)	(862)	(1,316)
Gains and losses recognise directly in equity	d										
Exchange differences on translation of foreign operations	i	63				63		(9)		(9)	54
Fair value adjustments to financial instruments recognised directly in equity			3,955	(126)		3,829		1,024		1,024	4,853
Fair value adjustments to financial instruments reclassified to the income statement			(563)	90		(473)	1	(32)		(31)	(504)
Equity restated at 31 December 2012 ⁽¹⁾	19,860	20	4,785	(521)	(454)	23,690	13,627	147	(862)	12,911	36,601
Effect of changes in accounting methods											
Appropriation of 2012 loss 2012 dividend	(454)				454		(862) (203)		862	(203)	(203)
Transactions with non- controlling interests	24					24	65			65	89
Other movements	(242)	(18)	111	158		9	(9,119)	(318)		(9,437)	(9,428)
Profit for the year					2,137	2,137			161	161	2,298
Gains and losses recognise directly in equity	d										
Exchange differences on translation of foreign operations	i	(135)				(135)		(3)		(3)	(138)
Fair value adjustments to financial instruments recognised directly in equity			2,773	113		2,886		175		175	3,061
Fair value adjustments to financial instruments reclassified to the income statement	I		(1,169)	18		(1,151)		(35)		(35)	(1,186)
Equity at 31 December 2013	19,188	(133)	6,500	(232)	2,137	27,460	3,507	(34)	161	3,634	31,094

⁽¹⁾ The standards on consolidation and the amended IAS 19 – Employee Benefits discussed in Note 2 "Summary of significant accounting policies" are applicable retrospectively with effect from reporting periods beginning on or after 1 January 2013. Accordingly, the financial statements relating to previous reporting periods and included for comparative purposes have been restated. The impact of applying these standards is set out in section Note 3 "Application of IFRS 10, IFRS 11, IFRS 12, IAS 27, IAS 28 and IAS 19".

Central Sector statement of financial Central Sector off-balance position

(in millions of euros)	31.12.2013	31.12.2012
Assets		
Interbank and similar transactions	35,265	31,219
Cash and amounts due from central banks	324	3,670
Public sector and similar securities	19,349	21,238
Loans and receivables due from credit institutions	15,592	6,311
Customer transactions	8,727	6,029
Ordinary accounts in debit	668	636
Other loans due from customers	8,059	5,393
Bonds, equities and other fixed and variable-income securities	43,438	50,509
Bonds and other fixed-income securities	31,336	37,829
Equities and other variable-income securities	12,102	12,680
Long-term equity interests	20,975	20,271
Property and equipment and intangible assets	3,418	3,274
Prepayments, accrued income and other assets	10,995	12,894
Total assets	122,818	124,196
Liabilities and equity		
Liabilities and equity		
Interbank and similar transactions	12,635	14,122
	12,635	14,122
Interbank and similar transactions	12,635 3,271	14,122 1,217
Interbank and similar transactions Cash and amounts due to central banks Due to credit institutions – loans	,	,
Interbank and similar transactions Cash and amounts due to central banks Due to credit institutions – loans repayable on demand	3,271	1,217
Interbank and similar transactions Cash and amounts due to central banks Due to credit institutions – loans repayable on demand Due to credit institutions – term loans	3,271 9,364	1,217 12,905
Interbank and similar transactions Cash and amounts due to central banks Due to credit institutions – loans repayable on demand Due to credit institutions – term loans Customer transactions	3,271 9,364 49,153	1,217 12,905 49,384
Interbank and similar transactions Cash and amounts due to central banks Due to credit institutions – loans repayable on demand Due to credit institutions – term loans Customer transactions Ordinary accounts in credit	3,271 9,364 49,153 42,367	1,217 12,905 49,384 42,511
Interbank and similar transactions Cash and amounts due to central banks Due to credit institutions – loans repayable on demand Due to credit institutions – term loans Customer transactions Ordinary accounts in credit Other amounts due to customers Debt securities Interbank and negotiable debt securities	3,271 9,364 49,153 42,367 6,786	1,217 12,905 49,384 42,511 6,873
Interbank and similar transactions Cash and amounts due to central banks Due to credit institutions – loans repayable on demand Due to credit institutions – term loans Customer transactions Ordinary accounts in credit Other amounts due to customers Debt securities	3,271 9,364 49,153 42,367 6,786 30,905	1,217 12,905 49,384 42,511 6,873 27,702
Interbank and similar transactions Cash and amounts due to central banks Due to credit institutions – loans repayable on demand Due to credit institutions – term loans Customer transactions Ordinary accounts in credit Other amounts due to customers Debt securities Interbank and negotiable debt securities Accruals, deferred income and other liabilities Provisions	3,271 9,364 49,153 42,367 6,786 30,905 30,905	1,217 12,905 49,384 42,511 6,873 27,702 27,702
Interbank and similar transactions Cash and amounts due to central banks Due to credit institutions – loans repayable on demand Due to credit institutions – term loans Customer transactions Ordinary accounts in credit Other amounts due to customers Debt securities Interbank and negotiable debt securities Accruals, deferred income and other liabilities	3,271 9,364 49,153 42,367 6,786 30,905 30,905 10,383	1,217 12,905 49,384 42,511 6,873 27,702 27,702 13,682
Interbank and similar transactions Cash and amounts due to central banks Due to credit institutions – loans repayable on demand Due to credit institutions – term loans Customer transactions Ordinary accounts in credit Other amounts due to customers Debt securities Interbank and negotiable debt securities Accruals, deferred income and other liabilities Provisions Guarantee deposits Fund for General Banking Risks (FGBR)	3,271 9,364 49,153 42,367 6,786 30,905 30,905 10,383	1,217 12,905 49,384 42,511 6,873 27,702 27,702 13,682 515 1 473
Interbank and similar transactions Cash and amounts due to central banks Due to credit institutions – loans repayable on demand Due to credit institutions – term loans Customer transactions Ordinary accounts in credit Other amounts due to customers Debt securities Interbank and negotiable debt securities Accruals, deferred income and other liabilities Provisions Guarantee deposits	3,271 9,364 49,153 42,367 6,786 30,905 30,905 10,383 402	1,217 12,905 49,384 42,511 6,873 27,702 27,702 13,682 515 1 473 18,317
Interbank and similar transactions Cash and amounts due to central banks Due to credit institutions – loans repayable on demand Due to credit institutions – term loans Customer transactions Ordinary accounts in credit Other amounts due to customers Debt securities Interbank and negotiable debt securities Accruals, deferred income and other liabilities Provisions Guarantee deposits Fund for General Banking Risks (FGBR)	3,271 9,364 49,153 42,367 6,786 30,905 30,905 10,383 402 1	1,217 12,905 49,384 42,511 6,873 27,702 27,702 13,682 515 1 473
Interbank and similar transactions Cash and amounts due to central banks Due to credit institutions – loans repayable on demand Due to credit institutions – term loans Customer transactions Ordinary accounts in credit Other amounts due to customers Debt securities Interbank and negotiable debt securities Accruals, deferred income and other liabilities Provisions Guarantee deposits Fund for General Banking Risks (FGBR) Equity (excluding FGBR)	3,271 9,364 49,153 42,367 6,786 30,905 30,905 10,383 402 1 473 18,866	1,217 12,905 49,384 42,511 6,873 27,702 27,702 13,682 515 1 473 18,317

sheet commitments

211001 0011111		
(in millions of euros)	31.12.2013	31.12.2012
Commitments given i		
financing and guaran	tees	
Financing commitments	10,339	8,437
To credit institutions	2,570	
To customers	7,769	8,437
Guarantee commitments	6,174	8,585
To credit institutions	4,535	6,821
To customers	1,639	1,764
Doubtful commitments		
Commitments received of financing and guar		
Financing commitments	9,808	7,513
From credit institutions	9,808	7,513
Guarantee commitments	14,587	10,107
From credit institutions	11,765	6,697
From customers	2,356	2,204
From the State	466	1,206
Securities-related co	mmitments	
Securities to be received	918	1,242
Securities to be delivered	84	51
Other commitments	given and recei	ved
Other commitments given	15,845	20,356
Other commitments received	199	364

Central Sector income statement

(in millions of euros)	31.12.2013	31.12.2012
Interest income	1,872	2,209
Treasury and interbank transactions	170	131
Customer transactions	176	179
Bonds and other fixed-income securities	1,232	1,622
Other interest income	294	277
Interest expense	(1,066)	(1,232)
Treasury and interbank transactions	(70)	(112)
Customer transactions	(362)	(390)
Bonds and other fixed-income securities	(362)	(388)
Other interest expense	(272)	(342)
Revenue from variable-income securities	1,006	1,139
Fee and commission income	32	22
Fee and commission expense	(46)	(36)
Gains or losses on trading securities	(15)	6
Gains or losses on available-for-sale and similar securities	(2)	233
Other net banking operating income and expense	(171)	(69)
Net banking income	1,610	2,272
General operating expenses	(354)	(397)
Depreciation, amortisation and impairment of assets	(90)	(98)
Gross operating profit	1,166	1,777
Cost of risk	5	(6)
Operating profit	1,171	1,771
Gains or losses on fixed assets	(345)	(984)
Profit from ordinary activities before income tax	826	787
Income tax expense	(272)	(439)
Net profit	554	348

Statement of financial position of savings funds centralised by Caisse des Dépôts

(in millions of euros)	31.12.2013	31.12.2012
Assets		
Interbank and similar transactions	79,325	91,401
Cash and amounts due from central banks		
Public sector and similar securities	55,502	70,897
Loans and receivables due from credit institutions	23,823	20,504
Customer transactions	136,828	126,734
Ordinary accounts in debit		
Other loans due from customers	136,828	126,734
Bonds, equities and other fixed and variable-income securities	43,055	51,280
Bonds and other fixed-income securities	32,374	41,334
Equities and other variable-income securities	10,681	9,946
Prepayments, accrued income and other assets	78	122
Total assets	259,286	269,537
Liabilities and equity		
Interbank and similar transactions	247,130	257,896
Due to credit institutions	247,130	257,896
Customer transactions	83	75
Other amounts due to customers	83	75
Accruals, deferred income and other liabilities	2,579	2,888
Provisions	1,382	1,480
Guarantee deposits	7	8
Fund for General Banking Risks (FGBR)	2,010	1,551
Equity (excluding FGBR)	6,095	5,639
Reserves and other additional paid-in capital	5,413	5,050
Retained earnings	239	239
Unappropriated earnings	443	350
Total liabilities and equity	259,286	269,537

Off-balance sheet commitments of savings funds centralised by Caisse des Dépôts

	•	
(in millions of euros)	31.12.2013	31.12.2012
Commitments given ir and guarantees	n respect of fina	ncing
•		
Financing commitments	34,258	36,074
To credit institutions	2,931	7,880
To customers	31,327	28,194
Guarantee commitments		
To credit institutions		
To customers		
Doubtful commitments		
Commitments receive	ed in respect antees	
Financing commitments		
From credit institutions		
Guarantee commitments	127,650	119,382
From credit institutions	12,812	11,168
From customers	3,956	3,851
From the State	110,882	104,363
Securities-related co	mmitments	
Securities to be received	392	322
Securities to be delivered	25	
Other commitments	given and recei	ved
Other commitments given		
Other commitments received	144	145

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Income statement of savings funds centralised by Caisse des Dépôts

(in millions of euros)	31.12.2013	31.12.2012
Interest income	6,801	7,772
Treasury and interbank transactions	573	612
Customer transactions	3,608	3,758
Bonds and other fixed-income securities	2,365	3,060
Other interest income	255	342
Interest expense	(6,608)	(6,213)
Treasury and interbank transactions	(5,471)	(5,311)
Customer transactions	(1)	(2)
Other interest expense	(1,136)	(900)
Revenue from variable-income securities	452	435
Fee and commission income	3	5
Fee and commission expense	(253)	(1,483)
Gains or losses on trading securities	1	(37)
Gains or losses on available-for-sale and similar securities	642	703
Other net banking operating income and expense	(4)	(3)
Net banking income	1,034	1,179
General operating expenses	(129)	(125)
Gross operating profit	905	1,054
Cost of risk	(4)	(23)
Operating profit	901	1,031
Gains or losses on fixed assets		(23)
Profit from ordinary activities	901	1,008
Net additions to (reversals from) Fund for General Banking Risks	(458)	(658)
Net profit	443	350

Corporate responsibility





responsibility report sets out the Group's aims in terms of: • the governance, organisation and management of sustainable development; • its businesses and its responsible investing policy; • its internal responsibility relating to human resources, in-house action plans and transparent practices.

www.racdc.fr/rse

The Group's corporate social

Sustainable development concerns inform all of Caisse des Dépôts Group's action priorities and are taken up in its Responsible Investment Charter published in 2012. The Group's commitments are firmly embedded in its management processes. To improve reporting in this area, the Group's CSR reporting process has been designed to ensure that its commitments are effective, transparent and easy to monitor.

The identification of the energy transition as a strategic priority has helped to expand the scope for action to address this challenge. This groupwide priority calls for a strong commitment and better use of resources. Innovative financing and development solutions will be developed to assist the Group in its role as a fund operator.

Sustainable development is a strong force for innovation within the Group, which seeks to anticipate and best meet the needs of tomorrow's societies. By bringing innovation closer to sustainable development concerns, Caisse des Dépôts firmly believes that the strategic innovation push will allow its businesses to address both environmental and social challenges. A project was set up in 2013 to help innovative ideas become a reality.

Caisse des Dépôts also continues to roll out its "Écotidien" in-house sustainable development plan for cutting the consumption of energy and other resources and meeting environmental and sustainability commitments (responsible purchasing, waste management, etc.).

STATEMENT OF CONTINUED SUPPORT FOR THE PRINCIPLES OF THE GLOBAL COMPACT

Caisse des Dépôts has been a participant in the UN Global Compact since 2004. As Chairman and Chief Executive Officer, I declare my continued support for and personal commitment to Caisse des Dépôts' compliance with and implementation of the Global Compact's ten principles.

Pierre-René Lemas - Chairman and Chief Executive Officer

THE 10 PRINCIPLES OF THE GLOBAL COMPACT

Human Rights

- Businesses should support and respect the protection of internationally proclaimed human rights; and
- make sure that they are not complicit in human rights abuses.

Labour

- 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- 4. the elimination of all forms of forced and compulsory labour;
- 5. the effective abolition of child labour: and
- the elimination of discrimination in respect of employment and occupation.

Environment

- 7. Businesses should support a precautionary approach to environmental challenges;
- undertake initiatives to promote greater environmental responsibility; and
- encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

10. Businesses should work against corruption in all its forms, including extortion and bribery.

Thanks to everyone who contributed to this report.

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