

## Press conference

13 December 2022





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### Ordinary law

CADES takes over 136 billion euros of social security debt

### Organic law

- Postponement from 2024 to 2033 of the end date for the repayment of the social debt
- Extension of resources to finance the transfer of social debt
- Any new transfer must be accompanied by an increase in revenue to contain the amortisation period to 2033



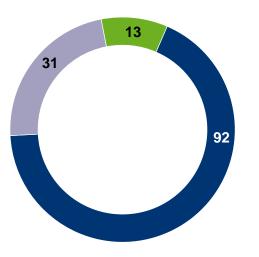


## Breakdown of the €136 billion social security debt assumed by CADES (in €bn)

#### Accumulated deficits at 31/12/2019

- Illness branch of the general scheme: 16.2
- Elderly solidarity fund: 9.9
- Elderly branch of the self-employed agricultural scheme: 3.6
- National pension fund for local and municipalities employees:1.3

#### Support for a third of hospital debt



#### **Future deficits 2020-2023**

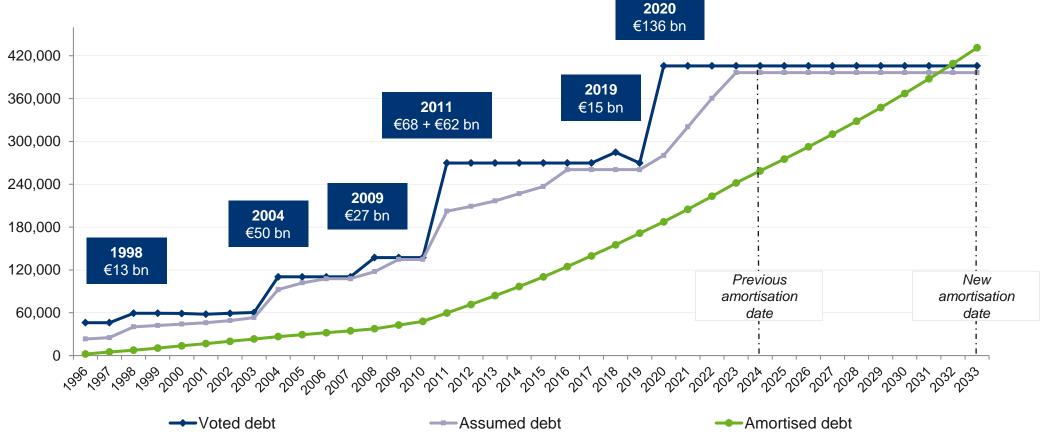
General regime Illness, elderly and family branches, FSV and elderly branch of the self-employed agricultural scheme





# Social debt end date repayment is postponed from 2024 to 2033

# Evolution of the voted, assumed and amortised debt (in €m)





# A change in resources from 2024

## **Evolution of future resources foreseen by 2020 law**

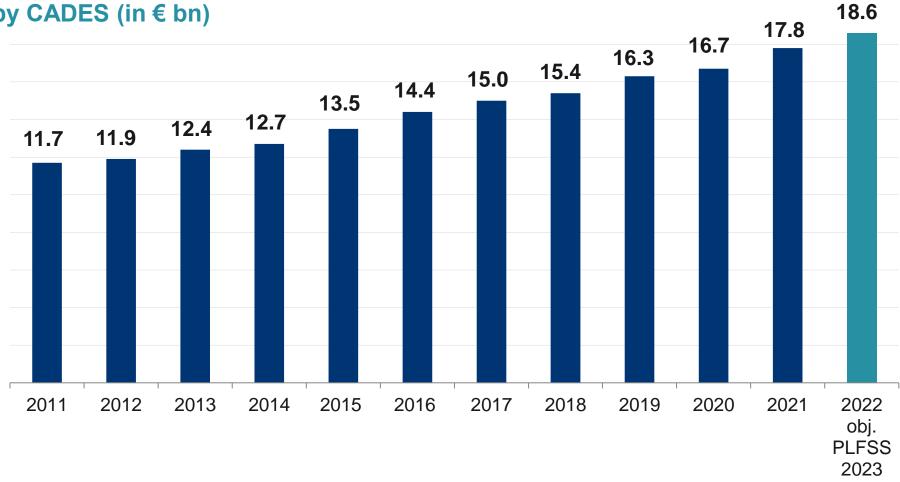
|              | Today | 2024 | From 2025 |
|--------------|-------|------|-----------|
| CSG (in bp)  | 0.6   | 0.45 | 0.45      |
| CRDS (in bp) | 0.5   | 0.5  | 0.5       |
| FRR (in €bn) | 2.1   | 2.1  | 1.45      |





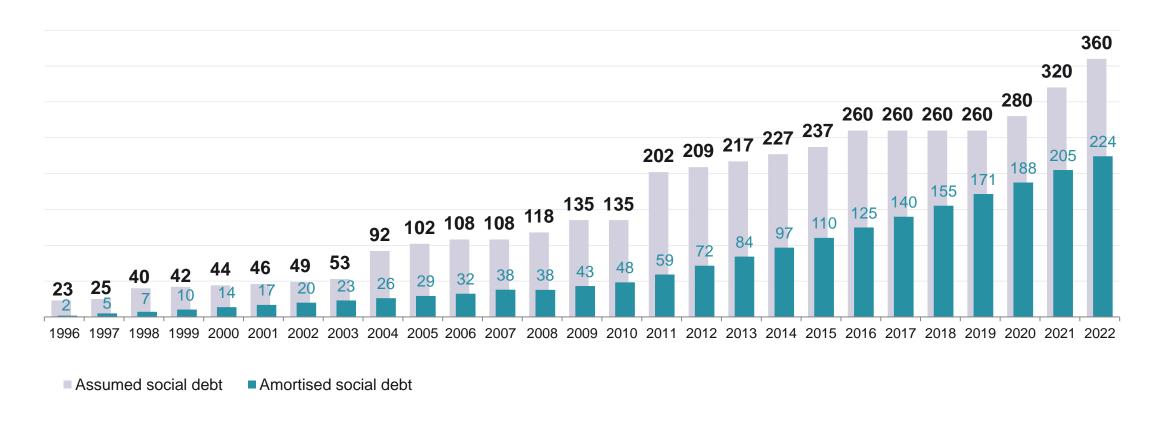








## Change in social debt assumed vs. share of social debt assumed amortised (in € bn)







#### **RESOURCES**

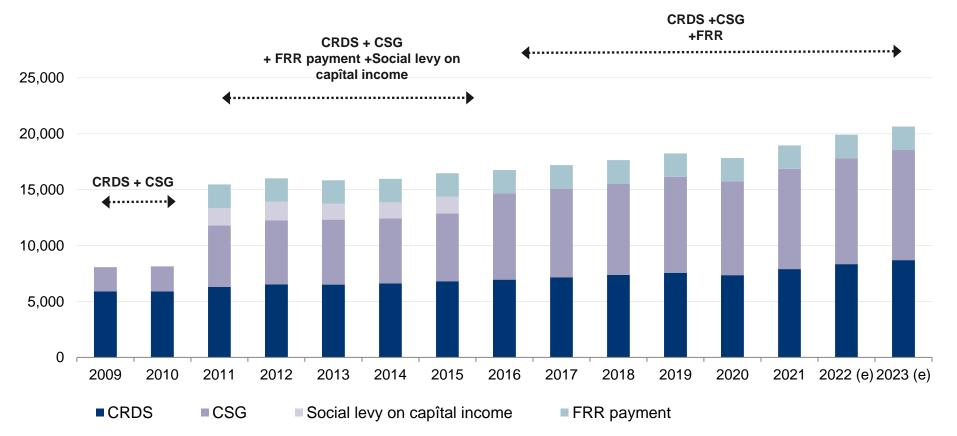
**FUNDING PROGRAMME** 

**DEBT PROFILE** 





## Evolution des ressources depuis 2009 (en M€)



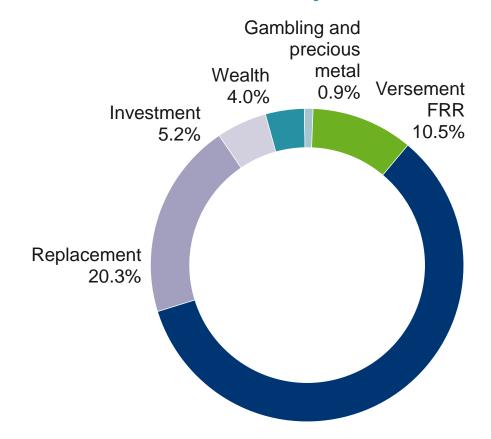
- Solid resources mainly correlated with the evolution of the wage bill
- Revenue mainly based on income from activity that is less cyclical than financial income
- 2021p breakdown of the resource<sup>1</sup>:
  - > CRDS (0.5%): €8.3 bn
  - > CSG (0.6%): €9.5 bn
  - > FRR: €2.1 bn

(1) The estimated data for 2022 and 2022 are taken from the Social Security Financing Act for 2023



# A broad and sustainable resource base

#### Breakdown of 2022<sup>e</sup> resources by nature



Activity 59.1%

| In %                     | 2022 <sup>e</sup> |
|--------------------------|-------------------|
| Revenue from activity    | 59.1%             |
| Revenue from capital     | 20.6%             |
| Revenue from replacement | 20.3%             |





#### **RESOURCES**

#### **FUNDING PROGRAMME**

**DEBT PROFILE** 



## **2022** Global Funding Carried Out

## €38.1 bn mid- and long-term issues

## **Benchmark issuances**

€36.0 bn

**Diversification issuances** 

€2.1 bn

**EUR:** €26 bn (6 issues)

**USD:** €10 bn (3 issues)

**Taps** (€1.5 bn)

**Private placements**(€0.6 bn)



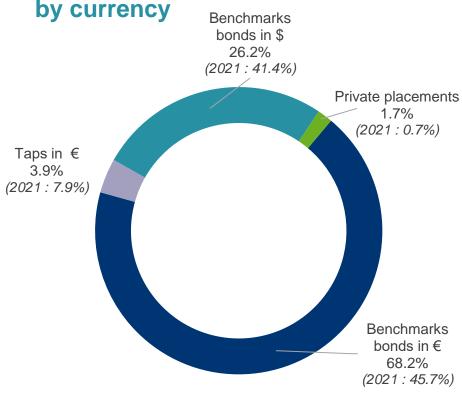
## **Evolution of mid- and long-term financing programmes since 1996** (in € bn)



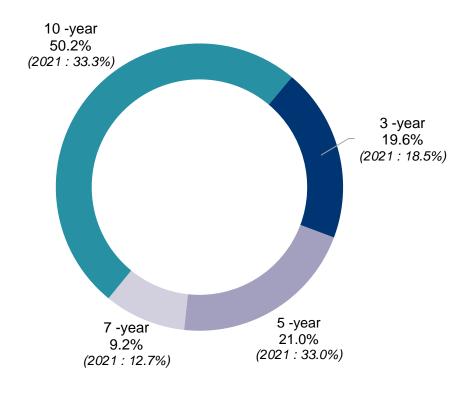


# Benchmark loans in € for more than 2/3 of the 2022 programme

## Breakdown of the 2022 programme by currency Benchmarks



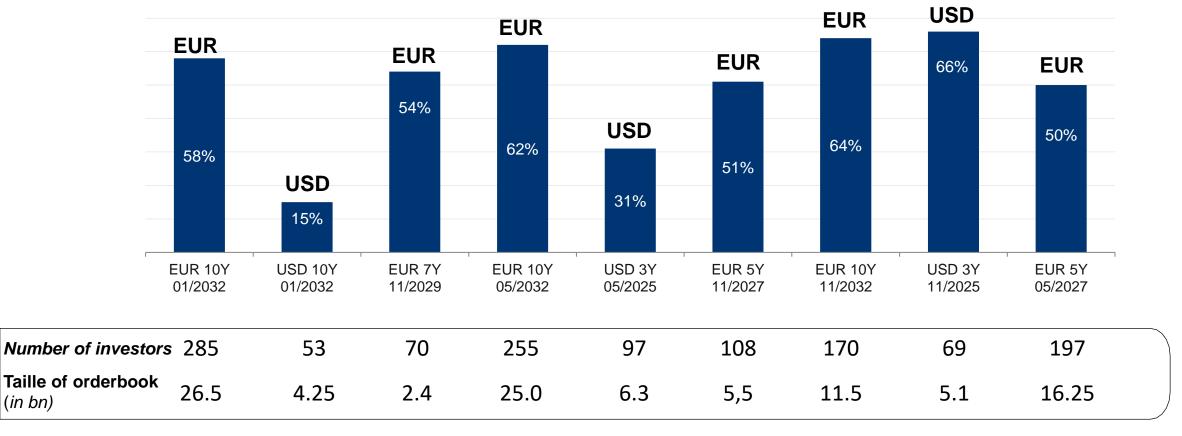
# Breakdown of the 2021 programme by maturity







#### **Evolution of ESG investors per bond**<sup>1</sup>



(1) ESG: Environnment, Social and Governance, according to the classification provided by the banks that led the operations



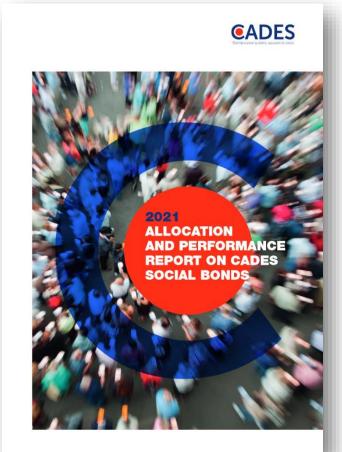
# Allocation and performance reports on social issues

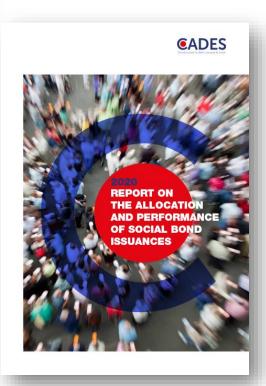
In 2022, CADES published the allocation and performance reports for the

2020 and 2021 social issues.

The assessment of the impact of social issues concerns the health and retirement risks covered by the public bodies to which the funds raised have been allocated.

The social performance of CADES' financing is assessed on the basis of the situation of the beneficiaries of the schemes concerned, with a view to international comparisons.

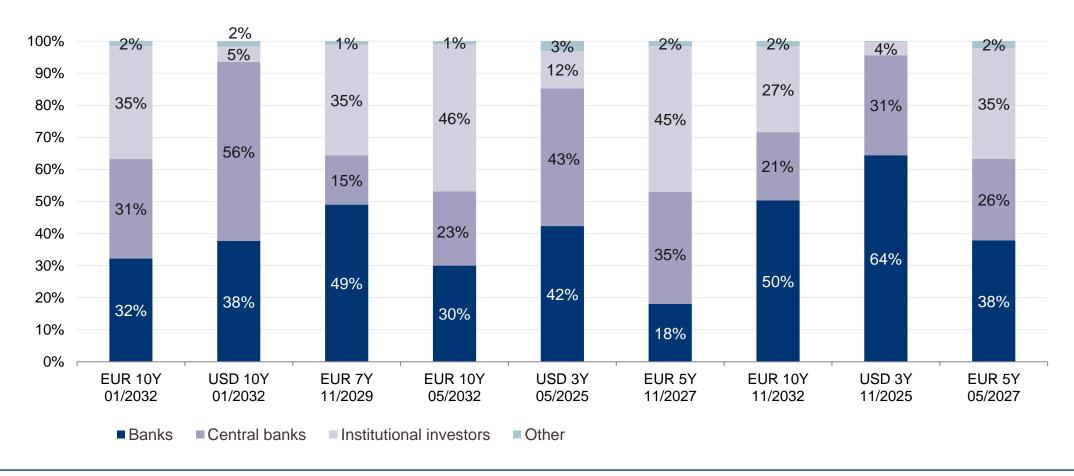








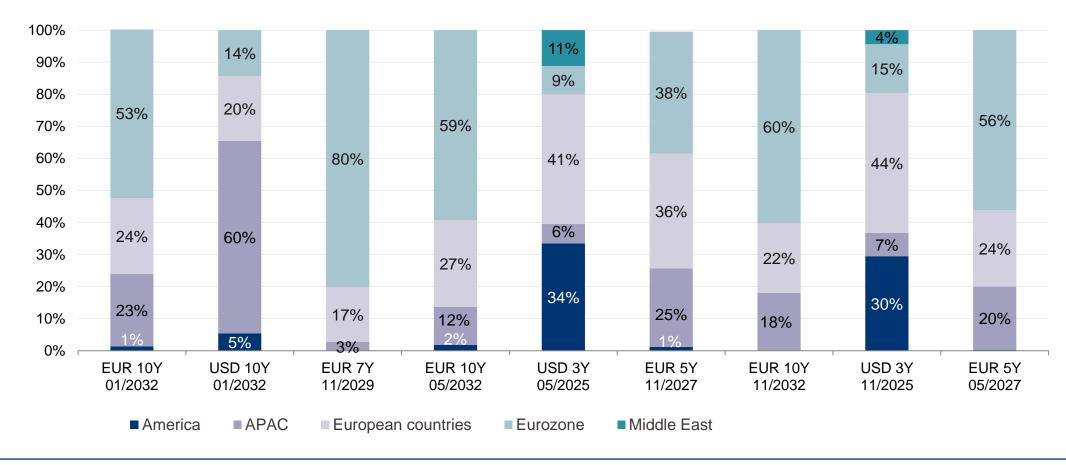
#### **Demand breakdown by type of investor**







#### Demand breakdown by geographical area







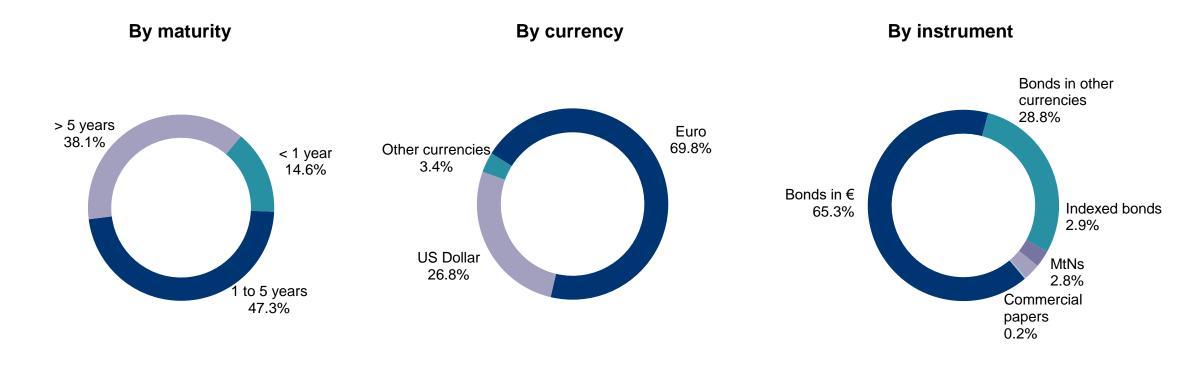
**RESOURCES** 

**FUNDING PROGRAMME** 

**DEBT PROFILE** 



#### Amount of debt stock at 31/12/2021: €139.8 bn





#### **Evolution of the refinancing rate of the outstanding debt**

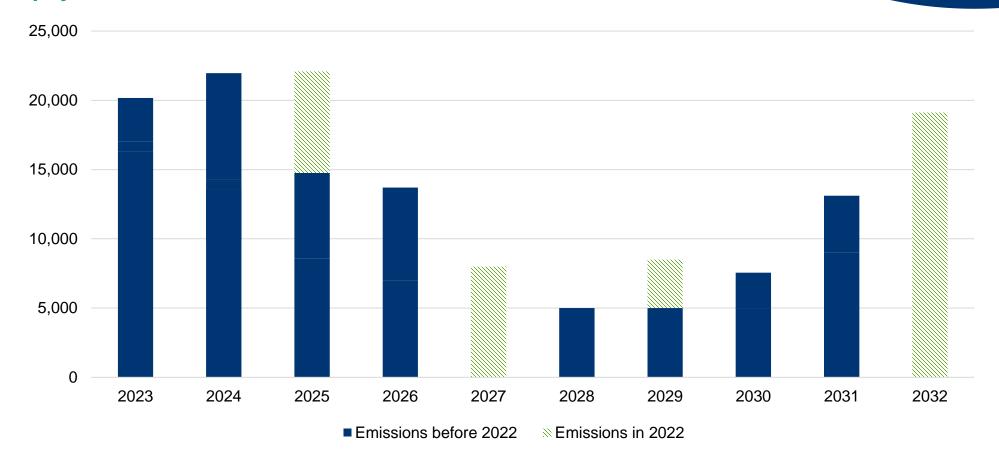


1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022





#### **Bond repayment schedule**









## **2023** Targeted Programme

Mid- and long-term issues €25 bn

Short-term € 5 bn



Benchmark issuances

EUR and USD

Diversification issuances

Taps in EUR
Other currencies

US Commercial Papers



- CADES was the world's largest issuer of social bonds in 2022
- A dynamic of resources
- After a successful programme of €38.1bn in 2022, a target programme of €30bn in 2023
- Strong mobilisation of investors, particularly ESG investors (53%1)
- An extensive and diversified range of instruments



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