Press release **9 September 2020**

THE CADES INAUGURATES ITS NEW SOCIAL ISSUANCE PROGRAM WITH THE EXCEPTIONNAL SUCCESS OF ITS FIRST BENCHMARK BOND IN EUROS

- €5.0 billion - 10-year maturity - 0% coupon
- A record order book of nearly 16 billion euros
- Bringing together 270 international investors

The Caisse d'Amortissement de la Dette Sociale (CADES) closed today a 10-year benchmark bond amounting to € 5 billion. This is the first benchmark bond issued by CADES under its new social bond program.

Context reminder

As part of the social debt transfer voted by French Parliament in the summer of 2020, CADES set up a social bond program and selected Vigeo Eiris as a supplier of Second Party Opinion to assess transparency, governance and compliance of the social issuance framework in accordance with the 2020 ICMA Social Bond Principles. The Second Party Opinion published on September 3rd confirms that the framework is aligned with the Principles and in line with the best practices.

A record order book bringing together nearly 16 billion euros and 270 investors

This inaugural issue, a 10-year benchmark bond amounting to 5 billion euros, was a resounding success with investors, including a significant number of ESG investors. The order book closed at nearly 16 billion euros from 270 investors, **the largest volume of interest ever shown in the execution of a CADES issue since its inception.**

Key features of the issue

The price of this 0% coupon issue, 10-year maturity bond (November 25, 2030), was set at 99.746%. This transaction closed with a spread of 20 basis points over the French benchmark rate curve (OAT 25 November 2030).

Joint-lead book runners for the transaction were BNP Paribas, Crédit Agricole CIB, NATIXIS and Société Générale.

The bond was placed with international investors based in Europe (81%), including France (26.8%), Benelux (17.6%), Germany (14.5%), other Eurozone (4.9%), the UK (11.1%) and 5.8% in the rest of Europe and 16.9% in Asia and 2.4% in the rest of the world.

Banks purchased almost half of the issue (45,9%), followed by fund managers for 25,8%, central banks and official institutions for 23%, insurance companies for 2,9% and others for 2.4 %.

About CADES

In 1996, the French government set up the Caisse d'Amortissement de la Dette Sociale with a mission to amortise French social debt by issuing debt securities on international financial markets in a diverse range of currencies.

To enable CADES to carry out its mission, the French population pays regular taxes which contribute to the payment of interest and amortisation of social debt.

Supervised jointly by the Minister of The Economy, Finance and the Recovery and by the Minister for Solidarity and Health, CADES operates under the control of the French Parliament and the Constitutional Council.

CADES is well integrated into the French social system, having strong joint governance, co-chaired by a Board of Directors and a Supervisory Committee, which includes four members of French Parliament.

Backed by the French Parliament, CADES is one of the most significant institutions involved in the control and reduction of French social debt by using efficient and proven amortization and financing mechanisms.

Since 1 October 2017, teams from CADES and AFT, the French state debt management office, have merged to create a centre of excellence for issuing French public debt. In this regard, CADES has transferred operational responsibility for all of its funding activities to AFT. CADES is maintained as an independent entity guaranteeing the effectiveness of the principle of confinement and amortization of social debt, retaining the prerogatives of its executive chairman, the board of directors and its supervisory committee. AFT operates on behalf of and for CADES, making its staff available when appropriate.

All information regarding CADES and its bond issues is available on www.cades.fr.

CADES
LIGHTEN THE DEBT – BRIGHTEN THE FUTURE

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