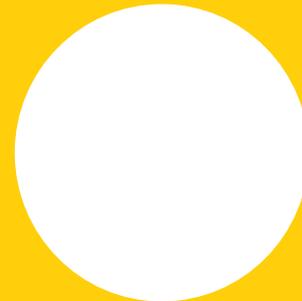
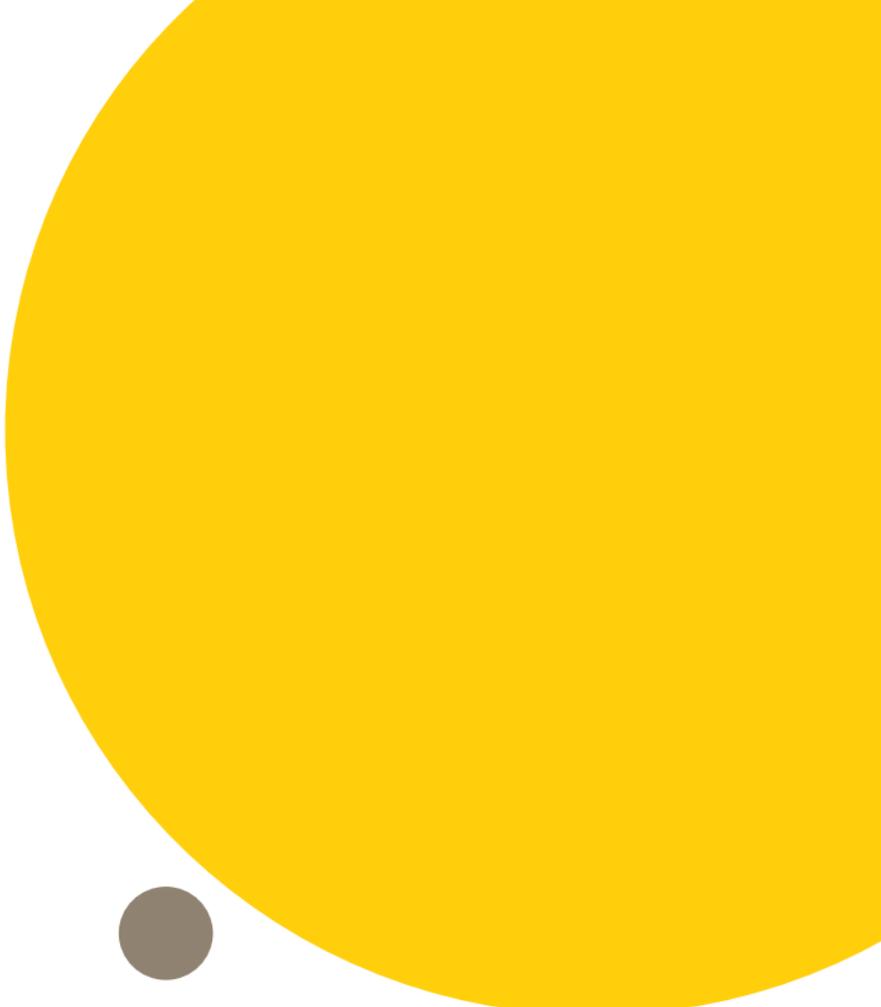


# THE DOCTRINE



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**Bpifrance's** doctrine of intervention  
was presented to the French National Assembly  
and to the French Senate  
on May 15, 2013.

# THE DOCTRINE

## ● THE DOCTRINE OF INTERVENTION Bpifrance

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## ● THE DOCTRINE OF INTERVENTION Bpifrance Financement

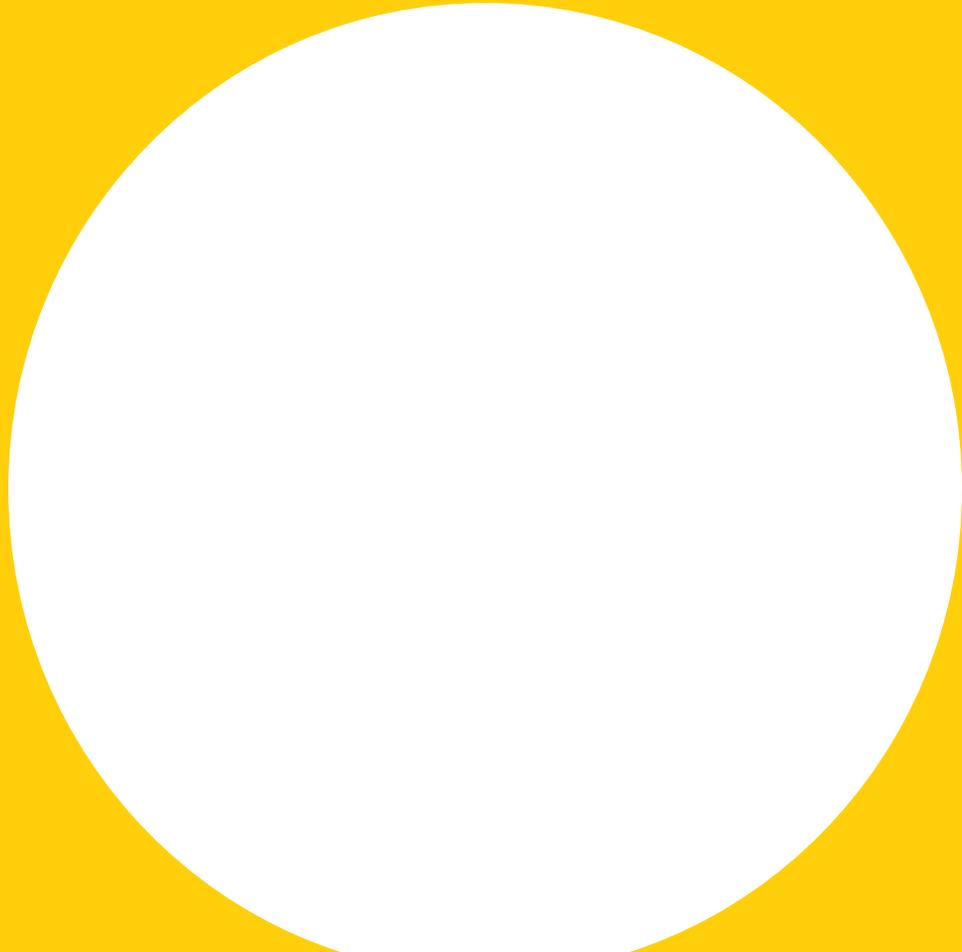
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# THE DOCTRINE OF INTERVENTION

## Bpifrance

—



A trusted  
**PARTNER**

Collective  
**INTEREST**



## PREAMBLE

---

As a public investment group designed to serve companies and their growth,

**Bpifrance** is the trusted partner of French businesses.

In the area of territorial economic development, **Bpifrance** benefits from the strength of its two shareholders, the French State and the Deposits and Consignments Fund (Caisse des Dépôts). It has become an essential tool in boosting the economy, restoring competitiveness, reinforcing business investments, and thus participating in the country's industrial revival.

**Bpifrance** is a financial tool serving the collective interest. Its purpose is to become involved in market segments and companies that suffer from a partial or total absence of other financial players.



## THROUGH ITS ACTION AND INTERVENTION, **Bpifrance** IS :

### **A tool specially designed for businesses**

**Bpifrance** provides local assistance and accompanies businesses throughout their lifecycle, focusing primarily on micro-businesses and SMEs that are vectors of growth and competitiveness. It accomplishes this by capitalising on the synergy between its two areas of expertise, financing and investment (ex: innovation or bond financing).

**Bpifrance** offers a full range of tools essential in helping businesses successfully carry out their projects. Examples of these tools are cash flow financing, financing investment, or strengthening the financial structure. **Bpifrance** supports French exporting SMEs in their international expansion. It contributes to the emergence of those medium-sized businesses that are primed to become benchmarks in their particular industry. **Bpifrance** also provides assistance to larger firms that prone growth and competitiveness, by financing development, industrial mergers or technology acquisition that will ultimately contribute to enhancing the overall productivity of the French economy.

### **A tool for revitalising the territories**

As the preferred partner in the French Regions, **Bpifrance** directs its regional activity towards helping to maintain a dynamic industrial landscape and promoting employment, especially on a local level. It deploys a precise strategy to boost economic development in a given city's priority neighbourhoods, including offering financing solutions for new business creation in underprivileged areas. In addition, **Bpifrance** develops tailored intervention strategies for the French overseas territories, taking into account their individual specificities.

## **A tool in favour of innovation, a factor in competitiveness and growth**

Innovation is a key priority for **Bpifrance**. Starting prior to the R&D phase and continuing all the way through to reinforcing capital for innovative firms, **Bpifrance's** support is grounded in the belief that innovation is an essential source of competitiveness. Thanks to the regrouping of the direct investment teams and the management of specialised financial aids directed at innovation in a particular area, **Bpifrance** will assist and back breakthrough innovation, all the way through to industrialisation, helping new players to emerge and responding to new social needs. It will also subsidise incremental innovation, synonymous with heightened competitiveness. **Bpifrance** works side by side with the competitiveness clusters and other tools of innovation policy.

**Bpifrance's** support in the area of innovation focuses on businesses in a growth phase, particularly those in developing fields and sectors such as new technology, environment or health. It also intervenes in sectors that contribute to ecological and energetic transition, in accordance with industrial policy.

### **A tool that adapts to the specificities of different fields and sectors**

The presence of a matrix organisation facilitates this adaptation, by evaluating the experience of its collaborators in various industries: aeronautics, agribusiness, automotive, biotechnology, eco-technology, and eco-services aimed at promoting ecological and energetic transition, rail, nuclear, robotics, etc. When necessary, specialised funds that contribute to the financing and the structuring of fields and sectors may be called into play. Similarly, **Bpifrance** adopts an approach suited to the particularities of those firms operating within the Social and Solidarity Economy. It offers various options, including credits and guarantees but also equity and quasi-equity, designed to comply with the specificities of the SSE. In addition, **Bpifrance** will finance businesses with major social impact.

# 1.

## METHODOLOGY

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### **Bpifrance promotes the emergence of a fully integrated and effective ecosystem for financing and private investment in businesses**

---

The goal is to provide micro-businesses, SMEs or mid-caps, at all stages of development and maturity, with access to competent, specialised and efficient investors who are capable of examining their needs and satisfying them within the context of qualitative projects. This is accomplished through a range of tailor-made financial tools.

Through its investments and financing, **Bpifrance** aims to **revitalise, guide and develop private players in the market** by encouraging better business practices, particularly with regards to long-term investments, Socially Responsible Investing (SRI), and an understanding of the Environmental, Social and Governance stakes (ESG). Working with players in the market may take on various indirect forms (investment in funds, guarantees...).

When providing direct assistance to SMEs and mid-caps, **Bpifrance** favours co-investment and co-financing, thus **encouraging private investors and backers to follow suit**, in strict observance of anti-trust and competition legislation.

## **Bpifrance participates through its own equity or through the management of a third-party account**

---

For instance, it may manage State budgets and programmes (such as the Programme for Investing in the Future), as well as those of other French or international organisations (particularly European), and those of private corporations and industrial entities.

It strives to **attract international corporate investors for the financing of French SMEs and mid-cap businesses**, via direct or intermediated agreements and in certain market segments.

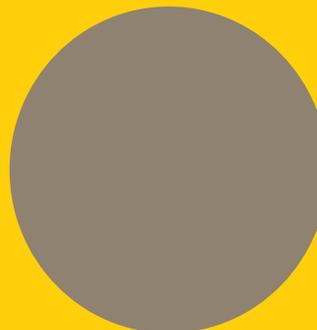
Lastly and when necessary, **Bpifrance** may pursue its activities in cooperation with the European Investment Bank (EIB), in accordance with the legislation of December 31, 2012.

## **All of Bpifrance's initiatives, particularly when entrusted by government and public authorities, must be financially sustainable**

---

This implies that overall returns on invested capital must be sufficient to ensure the longevity of the firm and its missions.

**Bpifrance's Board of Directors defines the target levels of profitability and risk** for the group and for each of its activities. The Board also ensures monitoring these levels, on the basis of specific quantitative indicators.



## 2. TARGETS

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### Different initiatives for different categories of businesses

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If a business is within the scope of its activities, **Bpifrance** aims to respond to its need for equity and credit, irrespective of its size. Contenders can range from start-ups to large companies.

As a result, **Bpifrance** offers three different types of intervention, each corresponding to a business category.



## 3 DIFFERENT KINDS OF INTERVENTIONS



- interventions for **micro-businesses, SMEs and the smaller mid-caps** who, due to their size and their being in the earlier phases of their development, may encounter structural financing difficulties when dealing with the banking system and private investors alike (market failure).

In this context, **Bpifrance** focuses an important part of its interventions on the market segments that experience the greatest shortage of private funds and are structurally lacking in various kinds of capital : seed, venture and growth capital and small buyouts. **Bpifrance** is able to recognise the potential in target businesses, thanks to its expert knowledge of many sectors of activity, of the regional economic fabric and of the status and the needs of the companies;

- interventions targeting to the **key players in each sector, justified by their strategic nature.** This applies to all categories of businesses - micro-businesses, SMEs, mid-caps and to a lesser degree, large and growing firms.

For these operations, involving growth capital and to a degree, venture capital, **Bpifrance** follows a rationale of consolidation and growth by providing funding for innovation and export;

- one-off capital investments in **larger firms that are considered strategic** in terms of the national economy, with a view to stabilising shareholders.



**DIGITAL**  
**BIOTECHNOLOGY**  
**AGROBUSINESS**  
**AERONAUTICS**  
**ECO-INDUSTRIES**

## Targeting sectors and geographic zones of activity

---

When targeting sectors and zones, **Bpifrance**:

- favours those **sectors and geographical zones experiencing growth**. Supporting national industrial policy is at the heart of all missions. In this respect, **Bpifrance** is able to concentrate its interventions on the development of certain sectors or industrial fields such as digital, biotechnology, agribusiness and eco-industries, which have proven crucial to preserving or enhancing the competitiveness of the French economy;
- intervenes primarily **in France (including overseas territories) and in Europe**. It may intervene exceptionally in other geographic zones, within the context of partnerships that are of interest to the French economy.

# 3.

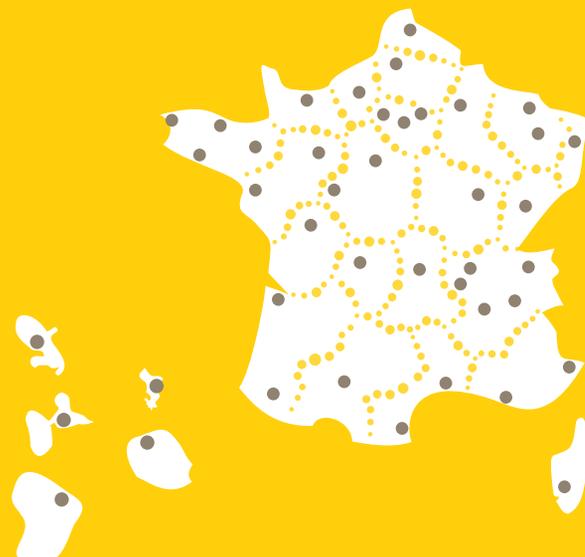
## LOCAL INTERVENTION

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### Strong partnerships with the Regions

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**Bpifrance** will be **the preferred financial partner of the Regions** expressing interest. It will coordinate its actions with theirs in order to offer services and financial solutions (on- and off-balance sheet) that are best suited to their needs. These partnerships may also involve **Bpifrance** buying into investment funds in association with Regional Councils, managing funds backed by the Regions (guarantee, innovation or investment funds), and participating in industrial welcome and support platforms that the Regions would like to implement, etc.



**90%**  
**OF BANKING AND FINANCING**  
**DECISIONS**  
**RELATED TO INNOVATION**  
**ARE MADE IN THE REGIONS**

## A close relationship with regional businesses

---

**Bpifrance's** intervention relies on its proximity to businesses, both on a geographic and sectorial level (particularly in technology and its various fields):

- 90 % of all banking and financing decisions related to innovation will be made in the Regions;
- 90 % of all decisions related to growth capital or small buyouts, up to 4 M€, will be made in 6 inter-regions;
- in order to provide personalised international support to 1 000 growing SMEs and mid-cap businesses, **Bpifrance** has a specific offer (**Bpifrance Export**) which facilitates businesses' access to financing information and tools for their export activities. This proposal is based upon:
  - the presence of UBIFRANCE and Coface consultants within **Bpifrance's** regional network. These consultants can identify upfront those businesses with export potential, assist them (ex. introduction to teams located abroad, sharing contacts, etc.) and guide them through the range of international public and private financial products, on the basis of their situation and their projects;
  - a public funding package, wholly distributed by **Bpifrance**. This package may be comprised of products managed by **Bpifrance** or by Coface.



## Accompanying businesses in their development projects

---

Although the tools and financing/investment resources made available by **Bpifrance** are essential to the development of French micro-businesses, SMEs and mid-caps, they are not sufficient on their own. For this reason, **Bpifrance**, in its financing capacity, accompanies entrepreneurs so they may bring their development projects to fruition.

The **Bpifrance** teams, especially those in the Regions:

- **offer entrepreneurs financing solutions** tailored to their needs, their context and their development projects;
- **guide them to the relevant contacts**, alongside the regional orientation and support structures when these exist, towards consular and commerce contacts, particularly in matters of equity investment and frequently on a regional level;
- **provide expertise and skills**, particularly in the area of innovation funding or through their presence within the governing bodies of the companies invested in;

- **assist them in their export endeavours**, with the help of the UBIFRANCE teams;
  - **contribute to the strengthening and rationalisation of local networks** involved in financing and support.
- 

Entrepreneurs trust in this collaborative outlook, which constitutes the driving force developed by **Bpifrance** to benefit businesses.



# 4.

## UPDATING

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### **Bpifrance's Doctrine evolves with the changing needs of the market, which are constantly monitored and evaluated by Bpifrance's teams**

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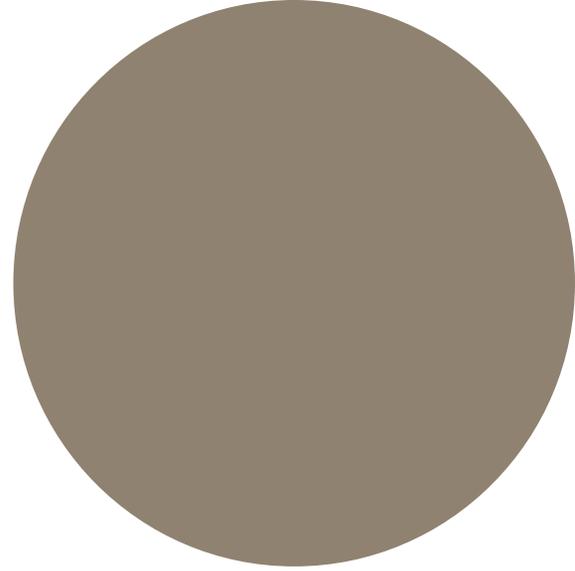
This Doctrine will therefore be the subject of regular updates, carried out in association with the National and Regional Orientation Committees, and validated by the Board of Directors. These updates, as well as modifications to the operational tools that may result, will be based on the research, expertise and understanding of **Bpifrance's** teams, with regard to the issues inherent to corporate financing and development.

However, if justified, **Bpifrance** does not exclude the possibility, albeit exceptional and temporary in nature, of making certain financing and investment decisions (using its own equity), that may deviate from the present Doctrine. Such decisions would be made by the competent governing bodies, in accordance with the rules and regulations set forth in the statutes of the companies belonging to the **Bpifrance** group and in the shareholders' agreement.

# **THE DOCTRINE OF INTERVENTION**

## **Bpifrance Investissement**

---



# 1.

## GUIDING PRINCIPLES

Through its equity funding, **Bpifrance Investissement** finances the growth and development of micro-businesses and SMEs, in keeping with the FSI France Investissement 2020 programme (cf. details available on [bpifrance.fr](http://bpifrance.fr)). It accelerates the emergence, consolidation and proliferation of mid-cap businesses, essential to the competitiveness of the French economy and the development of export trade.

**Bpifrance Investissement** carefully selects its investments, in funds or in companies (cf. infra). These investment choices are driven by good business practices and the potential resulting value of the selected business or fund (for both the investor and the national economy).

However, **Bpifrance Investissement is not like other investors**. In its role as a prudent investor operating within market conditions and serving the collective interest, **Bpifrance Investissement** aims to supplement potential funding in market segments where private financing is typically lacking.

As such, **Bpifrance Investissement**, in the context of equity funding, dedicates a significant portion of its resources and those it manages on behalf of third-party investors, to seed, venture, growth and buyout capital. It also assists profitable firms operating in the social economy, who attract few traditional investors due to their special nature.

**Bpifrance Investissement** has also developed a mezzanine fund offer for the market, as either a complement or a substitute to equity funding, for those businesses preferring not to open their capital to third parties.

Within this framework, **Bpifrance Investissement's** operations are governed by the following guiding principles:

## **Bpifrance Investissement, via the acquisition of minority stakes, intervenes to drive private funding through public funding**

---

Whether it invests its own resources or those of other subscribers under its management - private or public - **Bpifrance Investissement** systematically searches for private co-investors to whom it leaves a majority of shares, in order to stimulate the investment market.

## **Bpifrance Investissement is a prudent investor operating within market conditions**

---

When co-investing, **Bpifrance Investissement** intervenes in accordance with the same financial and legal provisions as other co-investors (*pari passu*).

Whenever possible, **Bpifrance Investissement** sits on the Board of Directors of the funds within its portfolio and on the strategic and advisory committees of partner funds.

## **Bpifrance Investissement is a patient investor**

---

It will adapt its investment horizons to a firm's specific situation (its technical context, for example).

## **Unlike most private investors, it accepts that the profitability of its investments may materialise over longer periods.**

This is especially the case for high-risk market segments (seed and venture capital, high levels of R&D). **Bpifrance Investissement** works with its invested businesses over the long term. This may include rotating asset portfolios in synergy with the private co-investors, to enhance risk management and create new opportunities for investing and developing assets.



## **Bpifrance Investissement,** serving the collective interest

---

In addition to appraising the financial performance of a business when making investment decisions (profitability, sustainability, liquidity), **Bpifrance Investissement** takes into account a project's impact on the **competitiveness of the French economy**. This is evaluated through a multi-criteria analysis, which integrates extra-financial factors such as export and international expansion potential, contribution to innovation, Environmental, Social and Governance practices (cf. infra), effects on territorial employment and development, the role within the sector, the development of family businesses, etc.



## To insure that its investments are effective in contributing to the growth and development of businesses, **Bpifrance Investissement** favours bringing new money into the firms it invests in

---

From this perspective, **Bpifrance Investissement** may consider taking over from private capital funding or withdrawing through the repurchase of shares, particularly in the three following situations:

- **the generational transfer of an SME;**
- **the withdrawal of a portion of the historical investors, in businesses with strong growth potential,** particularly those committed to innovation;
- **repurchasing shares,** in the goal of maintaining a significant presence of French investors in the capital of those firms considered “sensitive” or strategic.

## **Bpifrance Investissement** does not invest in certain business categories

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- **firms dedicated to the financing of infrastructure-building projects** (however, **Bpifrance Investissement** may invest in the firms involved in building or operating infrastructures);
- **companies whose primary activity is land and property development;**
- **banks and insurance companies;**
- **media organisations and research institutes**, so as to avoid potential conflicts of interest and preserve its neutrality;
- **semi-public companies**, that moreover may be the subject of financing through the Deposits and Consignments Fund (Caisse des Dépôts).

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All financing decisions that may lead to competition with other entities within the Deposits and Consignments Fund group will be subject to specific coordination.

## **Bpifrance Investissement** may exceptionally finance recovery capital, aimed at rescuing companies in difficulty

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**Bpifrance Investissement** may intervene in this context, particularly in SMEs and smaller mid-caps, when special precautionary measures are implemented. This type of investment is, by its very nature, contrary to **Bpifrance Investissement's** guiding principles for three reasons:

- it implies taking a majority stake in the firm, in order to have control over all levers of action;
- public investment in distressed companies infers the presumption of State support and as such, regulatory authorities must be informed of these decisions. This leads to longer delays and may possibly hinder the investment operation;
- restructuring distressed companies may be damaging to **Bpifrance Investissement's** image as a public investor.

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For these reasons, **Bpifrance Investissement** **favours recovery capital investments where it can hold only a minority stake, alongside private investors**, and in funds that are managed by specialised independent teams.

2.

## METHODS

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**Bpifrance Investissement** carries out its investments through four business units within the same management company, according to

# 3 MAIN METHODS

As follows...

## Through indirect share acquisition (or fund of funds investment), in the form of subscription to partner funds

---

This mode of action aims specifically at encouraging a domino effect amongst private investors who subscribe with **Bpifrance Investissement** in partner funds (in funds backed by the Regions, or in specialised national funds like Demeter or Aerofund, for example). This in turn increases **Bpifrance Investissement**'s investment capacities in that territory.



In this area of activity, **Bpifrance Investissement** aims to:

- **focus its action on venture and growth capital segments, where fundraising is most difficult.**

**Bpifrance Investissement** cultivates the internationalisation of the best French teams, particularly on a European level, so that they may attract international corporate investors and assist the firms within their portfolio in their expansion outside of France;

- **contribute to establishing the most competent management teams** (both financially for the investor and in terms of added value for the financed business);

- **moderate in partner management companies** to oversee the emergence of new equity financing teams based in France, operating in market segments which are poorly covered, if at all. In general terms, **Bpifrance Investissement** strives to develop the professionalism of the teams and their practices.

## Through direct share acquisition in companies

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Using **Bpifrance Investissement**'s own resources, targeted at **mid-cap businesses and larger strategic firms**, that generate growth and competitiveness.

When committing to these investments, the intervention of co-investors is favoured whenever possible.



## Through direct share acquisition, with public or private investors, via generalist or sector funds

---

For all investments directed at SMEs and mid-caps. These funds may:

- **be directed at specific segments where market failure has been observed** (a lack of funding in certain areas of activity, for example). In this context, **Bpifrance Investissement** creates and manages funds invested in equity or quasi-equity, depending on the identified financing needs, preferably co-financed by private investors (similar to current funds Innoblo, Patrimoine et Création, or Bois);
- **aims to complete investments made by partner funds, when the risk level is too high for them** (given the amount required or the nature of the investment), **similar to the functioning of the Direct Co-Investment Fund (Fonds de Co-Investissement Direct-FCID)**.

Co-financing options are always explored, in order to avoid all forms of competition with the market's private funds, as well as conflicts of interest between direct investment activity and investment via partner funds (particularly regional).

# 3.

## A SOCIALLY RESPONSIBLE INVESTOR

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**Bpifrance Investissement** is a socially responsible investor, and promotes this approach to its partner funds and invested businesses.

In this respect, when studying direct investment projects, **Bpifrance Investissement** takes into account **Environmental, Social and Governance criteria**, particularly through ad hoc due diligence processes. This ESG analysis must lead to identifying points for improvement within the invested entities. These points will be monitored throughout the duration of the investment. The companies benefiting from **Bpifrance Investissement**'s intervention agree to progress in their awareness of Environmental, Social and Governance issues.

This is ensured through the shareholders' agreements negotiated by **Bpifrance Investissement** and through its participation in the firms' governing bodies. In the case of fund of funds investments, **the ESG aspect of a given investment** is a key selection requirement for **Bpifrance Investissement**'s partner management teams. **Bpifrance Investissement** makes sure that these partner management teams commit to taking the necessary steps with the companies they invest in, and adopt a progressive approach in their handling of Environmental, Social and Governance issues as they apply to those firms.

Whenever measuring the progress of a firm funded by **Bpifrance Investissement**, the initial situation (at the time of the investment) is taken into account. Progress is evaluated through criteria established in agreement with management, such as: **employment as a major factor, sustainable use of resources, controlled environmental impact, social dialogue as a formula for progress and problem resolution, human resources valued as the company's most precious asset**, treatment of personnel, relationships with suppliers and clients, consideration for the local territory, a transparent and efficient management approach, etc.



# 4.

## PROFESSIONAL PRACTICES

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**Bpifrance  
Investissement's**  
activity and operations  
are under the supervision  
of the French Financial  
Markets Authority  
(l'Autorité des Marchés  
Financiers-AMF).

## In its direct and indirect investment activity

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**Bpifrance Investissement** is fully committed to promoting clear ethical guidelines:

- adhering to standards that **fight against all forms of financial crime.**

It applies the strictest of standards to all of its activities and ensures that its invested firms are in full compliance with regard to prohibiting money laundering and the financing of terrorism;

- **preventing all conflicts of interest,** by clearly distinguishing among its investment, financing and service activities.

As such, the provision of a loan, guarantee, grant or recoupable advance on **Bpifrance Financement's** part will never be contingent on opening a company's capital to benefit a fund managed by **Bpifrance Investissement.**

Furthermore, **Bpifrance Investissement's** decision to invest in a company will never be contingent on the latter's interest in financial products proposed by **Bpifrance Financement.** This is equally the case for all other services that **Bpifrance** may offer (particularly upfront consulting and support);

- **mastering financial risk** throughout the process of investment decision-making and equity management.

**Bpifrance Investissement** endeavours to take into account the economic environment and subscribers' limitations when making investment decisions. It also implements risk surveillance measures with regard to its portfolio;

- **mastering operational risk.**

**Bpifrance Investissement** ensures that the exchange of information between innovation, financing and investment activities is governed by the utmost respect for rules and regulations in effect.



## For public and private investors

---

**Bpifrance Investissement** offers a highly effective management package, based on exemplary professional practices and carried out by its own teams and those of its partners:

- **quality reporting**, including parameters of economic and social impact, in addition to traditional financial data;
- **diligent assessment of investment projects**, including the commitment to process all completed requests within a reasonable time limit.

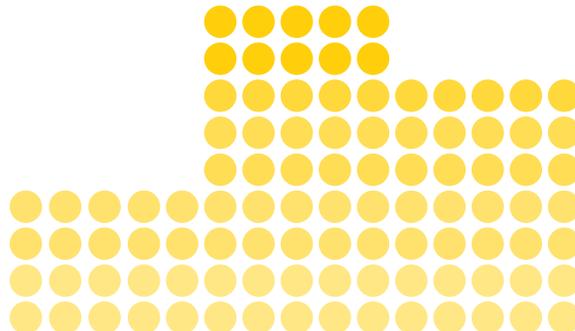
In addition, **Bpifrance Investissement** guarantees to keep companies informed of the status of their investment request and its review, in a timely manner;

- **an investment pace and practice that favours quality, long term focus and business growth** to quantity and haste;

- **the distribution of best practices among partner management teams**. These teams will be recognised for the relevance of their investment strategy and for their professionalism with regard to investment capital, especially in terms of management costs, transparency and governance.

Special attention is paid to the structuring and the compensation of the management teams (reasonable compensation levels and profit-sharing options compatible with **Bpifrance Investissement's** guiding principles). On a wider scale, the selected management teams must be able to contribute to **Bpifrance Investissement's** overall objectives, and in particular to accompany firms in their efforts to innovate, develop internationally and apply socially responsible management practices.

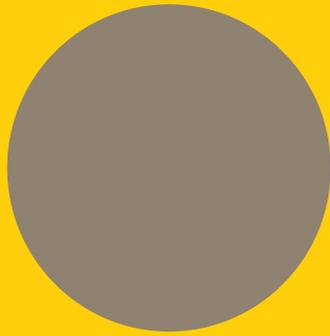
### EXEMPLARY PROFESSIONAL PRACTICES



# THE DOCTRINE OF INTERVENTION

## Bpifrance Financement

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# 1.

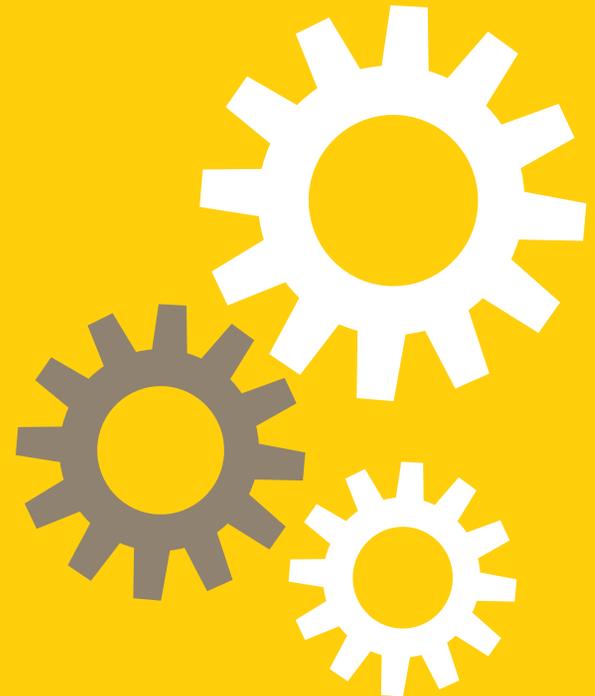
## GUIDING PRINCIPLES

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**Bpifrance Financement**  
is a neutral player, acting as a driving  
force for all financial partners,  
to the benefit of businesses

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Its function is to drive all financial partners, with banks and innovation development networks at the forefront, to intervene through co-financing with private banking institutions.



## **Bpifrance Financement, guided by the utmost respect for private parties and anti-trust regulation, provides funding for businesses in the riskiest phases of their development**

---

This funding is made available for company creation or transfer, innovation, international expansion and even for investments in capacity. This financing comes together through the allocation of funds originating at several different public levels: state, local (particularly regional), and the European Union.

## **Bpifrance Financement's public-service mission requires local intervention in favour of micro-businesses, SMEs and mid-caps**

---

Irrespective of their legal status (including SSE businesses<sup>(1)</sup> and local public companies<sup>(2)</sup> with commercial activity), in all sectors of activity, with the exception of financial services.

**Bpifrance Financement's** public stature implies offering a special welcome to businesses in each region, looking to all partners for solutions, more patience, and suitably adapted compensation.

*(1) Companies with special status (cooperative, worker cooperative, mutual, association) or major social impact.*

*(2) Semi-public company (SEM), local public company (SPL), local public development company (SPLA).*

## **Bpifrance Financement is subject to the regulations governing State aid (guarantee, research-development and innovation funds, subsidised loans)**

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Regulations on State aid specifically prohibit the financing of distressed companies or those who have not paid their social or fiscal contributions in full.

## **As a credit institution, Bpifrance Financement is subject to banking regulations (CRBF 97.02)**

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These regulations impose many requirements, such as operating within market conditions without abusive support or unfair lending, implementing risk-prevention systems (financial and operational risk, reputation management), the separation of functions, monitoring and surveillance systems and risk management...

**Bpifrance Financement** operates under the supervision of the French Prudential Supervisory Authority (Autorité de Contrôle Prudentiel-ACP).

# 2.

## METHODS

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The intervention methods are specific to each area of activity that constitute **Bpifrance Financement**:

### Innovation financing

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If a project includes acknowledged innovation, **Bpifrance Financement** is in a position to provide financial support, within the parameters of state-provided funding for Research, Development and Innovation (RDI).

**In the form of grants (feasibility) or recoupable advances (development)**, this aid is available for all types of businesses, even those in the seed phase. Funding is capped by a regulatory maximum intervention rate, defined as a percentage of the innovation-related expenses within the project.

This intervention and its operational costs are financed through allocations from state, regional or local government, or the EU (ex. FEDER).

### Guarantee

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If a company is a SME, European regulations authorise **Bpifrance Financement** to intervene as a guarantor, in the goal of **reducing bank risk**. Such interventions may receive additional funding through allocations from state, regional or local government, or the EU (ex. FEDER).

## Co-financing

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**Bpifrance Financement** steps in to systematically search for co-financing, **in the form of mid- or long-term loans, or equipment or property leasing contracts.** This applies to all businesses, irrespective of size or sector of activity, and is designed to generate bank financing. **Bpifrance Financement's** terms and conditions are tailored to be identical to those applied by the participating banks.

In particular, **Bpifrance Financement** finances export projects for SMEs through a single loan (the Export Development Loan), combined with aid from UBIFRANCE when the requested funding exceeds 1 M€.

## Mezzanine financing

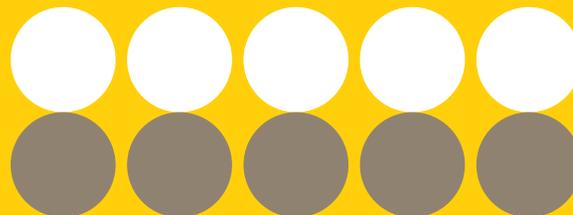
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This financing can be used as **an alternative or as a supplement to one's own equity,** when looking to fund intangible assets. Customarily reserved for SMEs and for modest amounts, these loans go hand in hand with bankable feasibility studies and equity-financing operations, particularly for export or innovation. Even start-up businesses, usually micro-businesses (less than 3 years of activity) without balance sheets, can take advantage of the Business Start-Up Loan.

## Accounts receivable

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**Bpifrance Financement** will not act as a substitute to private banking institutions with regard to covering businesses' treasury needs. However, **it can intercede, particularly in the case of public and important private contracts, by refinancing receivables or by providing the signed guarantees that may be required.**



# 3.

## ETHICS AND PROFESSIONAL PRACTICES

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A Charter of Ethics defines the rules and principles that serve as the guidelines for good conduct in professional relationships within **Bpifrance Financement** and in its business relationships outside the group.

These rules are the result of legal and regulatory measures currently in effect (in particular art. 226-13 of the Penal Code, relating to professional secrecy ; art. L511-33 of the Monetary and Financial Code relating to the professional secrecy of Credit Institutions ; art. L152-6 of the Labour Code relating to corruption). They are also the result of the regulations imposed on Banking and Financial Institutions (art. 24, chapter 3 of the Collective Agreement of banks relating to professional secrecy) and of the obligations set forth for public-service missions with regard to the financing and support of micro-businesses/SME/mid-cap entrusted to **Bpifrance Financement** by the State.

This Chart, for internal use only, strives:

- **to ensure that behaviour and practices conform** to the rules that govern the group's operations;
- **to favour and to protect the development of business relationships** founded on discretion, integrity, professionalism, loyalty, neutrality and impartiality, **both inside and outside the company.**

The Chart specifies the rules and regulations pertaining to professional confidentiality, professional secrecy, inside information, intellectual property, the use of the goods and means made available to employees and colleagues, prevention and management of conflicts of interest, external professional activity, vigilance (in particular with regard to the obligations surrounding the prevention of money-laundering and the financing of terrorism).

These rules of ethics apply in their entirety to all corporate officers and employees. They also apply to any individual detached to or made available to **Bpifrance Financement** by an external company, with the exception of measures relating to non-competition, overlapping employment contracts, limitations on external activities and exclusivity.

Any individual working with the firm is expected to abide by these rules. Corporate officers and employees in supervisory positions must ensure that the measures set forth in this Chart be fully respected.

The Permanent Risk Control Director is the advisor in all ethical matters concerning **Bpifrance Financement**.

## To contact Bpifrance in your region

[bpifrance.fr](http://bpifrance.fr)

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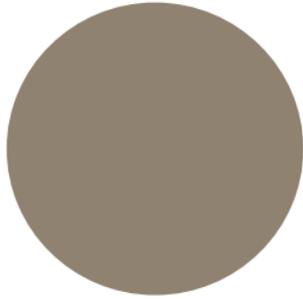
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**THE FUTURE**

