

Crédit Mutuel Alliance Fédérale

2022 Full-Year Results

February 2023

Disclaimer

This document has been prepared by Banque Fédérative du Crédit Mutuel ("BFCM") solely for use in this presentation.

This document may contain a number of statements that are not historical facts, including statements about Crédit Mutuel Alliance Fédérale and BFCM's beliefs and expectations. These statements may constitute forward-looking statements. Forward-looking statements are based on current plans, estimates and objectives, which are subject to uncertainty and may prove to be untrue. Therefore undue reliance should not be placed on them.

Forward-looking statements are only made as of the date of this presentation, and neither the Group nor BFCM undertakes any obligation to update publicly any of them in light of new information or future events.

This presentation is not to be reproduced by any person other than its original recipient. Crédit Mutuel Alliance Fédérale and BFCM take no responsibility and assume no liability for the use of these materials by any such person.

This presentation and subsequent discussion does not constitute a public offer for the purposes of any applicable law or an offer to sell or solicitation of an offer to purchase any securities or other financial instruments and no part of it shall form the basis of or be relied upon in connection with any investment .

Crédit Mutuel Alliance Fédérale ("The Group") represents the Group members of the Caisse Fédérale de Crédit Mutuel and the consolidated data of its subsidiaries: the Caisses de Crédit Mutuel Nord Europe, Centre Est Europe, Sud-Est, Ile de France, Savoie-Mont Blanc, Midi-Atlantique, Loire-Atlantique & Centre-Ouest, Centre, Normandie, Dauphiné-Vivarais, Méditerranée and Anjou, Massif Central, Antilles Guyanne and their common Caisse fédérale (CF de CM), and of the Banque Fédérative du Crédit Mutuel, its main subsidiaries: ACM, CIC, Targobank Germany, Targobank Spain, Cofidis, BECM, CIC Iberbanco , El and others.

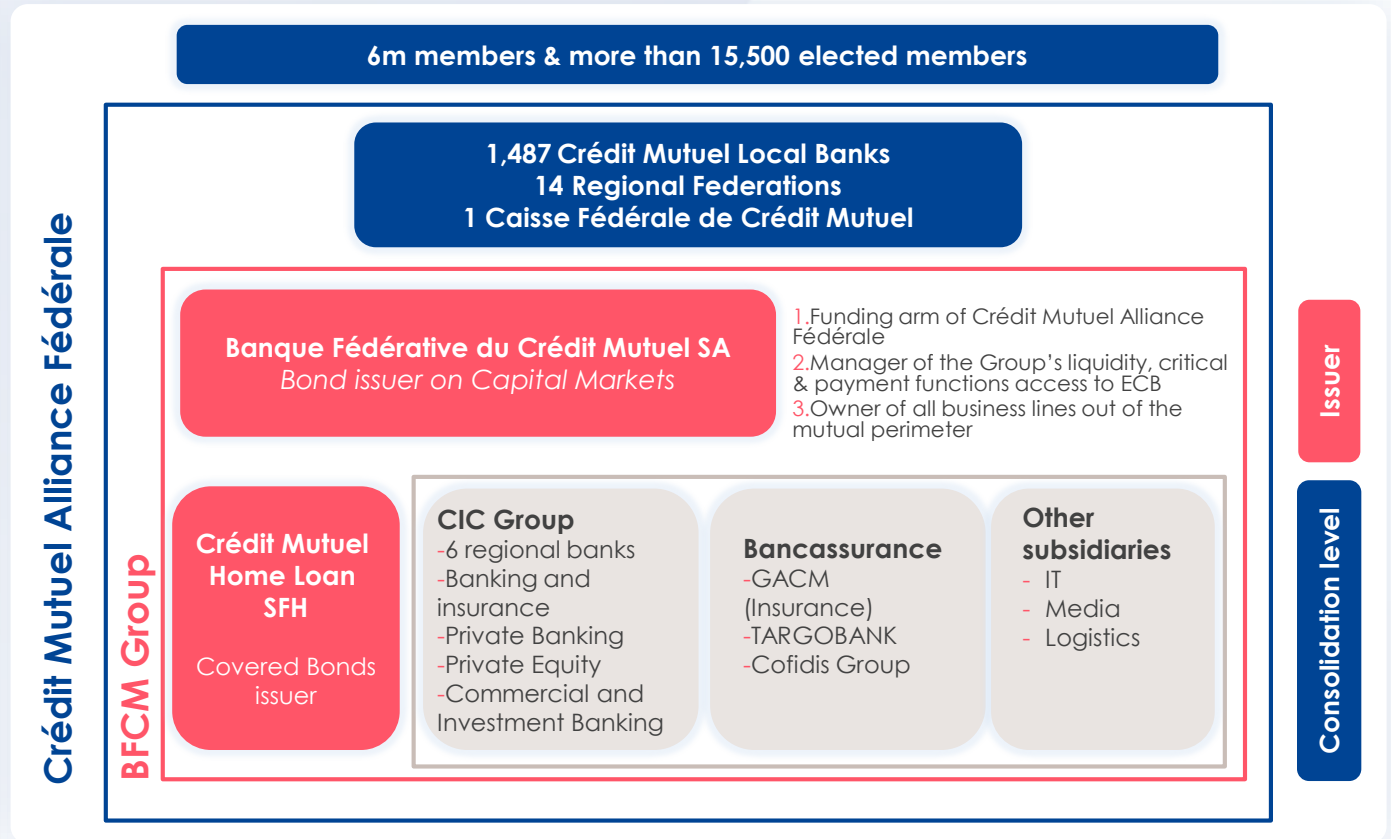
Change in perimeter: in 2022 Crédit Mutuel Alliance Fédérale accounts include the contribution of Crédit Mutuel Nord Europe, Crédit Mutuel Investment Managers and CIC Private Debt. On the contrary, Floa Bank data have been excluded from the perimeter since January 2022.

Table of contents

1	Crédit Mutuel Alliance Fédérale Organization	p. 4
2	Business Model	p. 5-6
3	Crédit Mutuel Alliance Fédérale 2022 Full-Year Results	p. 7-15
4	2019-2023 Strategic Plan	p. 16
5	Capital and Liquidity	p. 17-19
6	Funding	p. 20-21
7	Ratings	p. 22
8	Social and Mutualist Responsibility	p. 23-26
9	Appendices	p. 27

Crédit Mutuel Alliance Fédérale organization

A cooperative banking group that issues on the capital markets



Our Business Model⁽¹⁾

OUR RESOURCES & STRENGTH

A real cooperative group

A solid bank that belongs to its customers

More than **6m** members
One member = one vote

A regional and omnichannel bank

c.4,500 branches & **30,000** account managers
€3.3 bn invested in the real economy through private equity

A bank committed to its customers

77,500 employees serving
30.1 m customers

Powerful brands

Crédit Mutuel, CIC, TARGOBANK, Cofidis, Beobank

A technological and innovative bank

Euro-Information, a technological subsidiary dedicated to the development of **solutions for today and tomorrow**

OUR BUSINESS LINES

MULTI-SERVICE « BANCASSURANCE »

Bancassurance represents 78% of the total Net Income⁽²⁾

RETAIL BANKING

Our networks: Credit Mutuel, CIC, BECM, Beobank

Consumer finance: Cofidis group, TARGOBANK Germany

Business line subsidiaries: Leasing, Factoring, Real Estate, others

INSURANCE

Property and personal insurance, Life insurance, Borrower insurance

SPECIALIZED BUSINESS LINES

Asset Management & Private banking, Corporate banking, Capital markets, Private equity

OTHER BUSINESS LINES

IT, logistics, press and holding companies

« ENSEMBLE, ÉCOUTER ET AGIR »

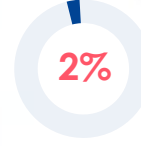
(LISTENING AND ACTING TOGETHER)

A « RAISON D'ÊTRE »

CRÉDIT MUTUEL ALLIANCE FÉDÉRALE: « **Entreprise à Missions** »: **5 missions** that guide our actions on behalf of our members & customers and contribute to a better society

4 strategic priorities 2019-2023: Relation, Commitment, Innovation, Solidity

OUR VALUE CREATION
SUSTAINABLE COLLECTIVE PERFORMANCE



A long-term commitment to our customers

€502.1 bn loan outstanding: **+12.9%** increase y-o-y
51% in Home loans, 9% in Consumer finance, 10% in Operating and 30% in Others

€457.0 bn deposit outstanding: **+7.5%** increase y-o-y
A loan to deposit of 109.9%

Strong social contract

#1 and #2 for Crédit Mutuel and CIC in the benchmark of **best employers** in banking and finance
0.5% of total payroll dedicated to close up pay gaps **between women and men**

Concrete actions for the climate

Carbon footprint reduction for loan and investment portfolios
Plan for **coal phase-out** by 2030
End of financing for all new oil and gas projects

A reactive and proactive approach

More than **9 out of 10 credit decisions** made locally
Proactive campaign of **100,00 emergency appointments** to help clients to cope with inflation

(1) As at december 2022

(2) Contribution of the operational business lines to net income - excluding « Holding » segment

(3) Benchmark established by Statista and Capital magazine

Strategic Developments in 2022-2023

JANUARY 2022

14 Fédérations

Succesfull convergence of **Crédit Mutuel Nord Europe**, which opens up new development prospects :

- **Beobank**, which operates a banking and insurance business in Belgium with **208 branches** and **737,000 customers**;
- **La Française**, the asset management entity focused primarily on financial and real estate assets.

[Press-release.pdf](#)



OCTOBER 2022

Closing of the sale of Floa

Crédit Mutuel Alliance Fédérale, Casino Group & BNP Paribas signed an exclusivity agreement for the sale of FLOA to BNP Paribas.

Launch of exclusive negotiations

Assurances du Crédit Mutuel and AXA signed an exclusive agreement for the acquisition by AXA Spain of 100% of the capital of **GACM España**.

[Press-release.pdf](#)



DECEMBER 2022

Launch of exclusive negotiations

Banque Fédérative du Crédit Mutuel and Abanca signed an exclusive agreement for the acquisition by Abanca of 100% of the capital of **Targobank Spain**.

[Press-release.pdf](#)



JANUARY 2023

Creation of a societal dividend

Crédit Mutuel Alliance Fédérale is creating a **societal dividend** and will commit each year 15% of its income to build a more sustainable and inclusive world.

This will be one of the key building block of the upcoming 2024-2027 Strategic plan.

[Press-release.pdf](#)



A “bancassurance” business model with strong performance⁽¹⁾ – Key ratios as at December 2022

€17.3bn

Net revenues
+3.2% vs Dec 2021

€10.3bn

Operating expenses
+5.3 % vs Dec 2021

€768m

Total cost of risk
+5.6% vs Dec 2021

€3.5bn

Net income
-3.6% vs Dec 2021

109.9%

Loan-to-Deposit
vs 104.6% in Dec 2021

59.6%

Cost to income
vs 57.4% in Dec 2021

0.17%

Customer cost of risk
vs 0.16% in Dec 2021

2.6%

NPL ratio
stable compared to Dec 2021

18.2%

CET1⁽²⁾
vs 18.8% in Dec 2021

6.6%

Leverage ratio⁽²⁾
vs 7.6 % vs Dec 2021

153.3%

LCR ratio⁽³⁾
vs 181.3% in 2021

(1) Change at constant scope
(2) Estimated – without transitional measures
(3) Average ratio in 2022

– 2022 Full-Year Results - Key Takeaways⁽¹⁾

Net revenues

€17.3bn +€1 417m +8.9%⁽²⁾
+ 3.2%

Increase of net revenues despite a difficult geopolitical & economic environment

- Resilience of the networks' net revenues (+6.6%), of consumer finance (+4.2%), Corporate banking (+9.4%) and Private banking (16.9%)
- Insurance and Private equity activities were affected by the financial market environment : respectively -5.2% and -17.1%

Operating expenses

€10.3bn +€1 192m +13%⁽²⁾
+5.3%

General expenses : rising but under control

- Supervision costs: +30.7% (Supervision cost equals 6 times the increase in operating costs)
- **Increasing employees benefit expenses** due to pay review measures and value sharing premium
- Cost-to-income ratio at **59.6%** (vs. 57.4% in 2021): improving in retail banking and deteriorating in other business lines (except private banking and private equity)

Cost of risk

€768m +€69m +9.9%⁽²⁾
+5.6%

Increase in cost of risk

- Proven cost-of-risk up of **€303 m** (+51.6%): mainly in networks, consumer finance and corporate banking
- Non-proven cost of risk of **€123 m** compared to a net reversal of €111 m in December 2021

Other items

- Depreciation of Targobank Germany goodwill for €958 m
- Targobank Spain : €270 m provision, following the announcement of entering into exclusive negotiations with Abanca
- Effects of the sale of Floa Bank

Net income

€3.5bn -€25m -0.7%⁽²⁾
-3.6%

Net income down 0,7%⁽²⁾

- Net income decreased by **3.6% at constant scope**

Financial strength

- **CET1 ratio⁽³⁾: 18.2 %** vs. 18.8% on Dec 2021 (-60bp)
- **LCR ratio** (average): **153.3 %** vs 181.3 % in 2021
- **Leverage ratio⁽³⁾ : 6.6%** vs. 7.6% on Dec 2021
- **LDR ratio: 109.9%** vs. 104.6% on Dec 2021

Strategic developments

- Successful **convergence with Crédit Mutuel Nord Europe** on 1 January 2022
- Closing of the **sale of Floa** on 31 January 2022
- Creation of the **societal dividend** that will be used to finance environmental transformation and solidarity projects on 05 January 2023
- Reinforcement of **social commitment** towards collective performance

(1) Change at constant scope except specified.

(2) At current scope

(3) Estimated

Change in Financial Results Sectorization :

In 2022, the income statement will be broken down into four sectors :

Retail Banking, Insurance, Specialized Business Lines and Other Business Lines

Retail Banking

Consumer Finance new sector includes

- **Targobank Retail**
(excluding factoring leasing and Targobank CIB)
previously classified in "Banking networks"
- **Cofidis**
previously classified in "Business line subsidiaries"

Insurance

Unchanged

Specialized Business Lines

An "**Asset Management & Private Banking**" business line "created", composed of:

- **Subsidiaries integrated as at 2022 consolidation scope:** La Française Group, CM Investment Managers, CIC Private Debt
- **Subsidiaries previously classified as "Retail Banking" and "Market Activities":** CM Asset Management, CM Gestion, CM Épargne salariale, Cigogne Management
- **Subsidiaries previously classified as "Private Banking":** Banque Transatlantique (including Dubly Transatlantique Gestion), Banque de Luxembourg (including BDLI), CIC Suisse

Other Business Lines

Creation of this sector which is composed of :

- **Media**
- **Logistics** (including EI and subsidiaries)
- **Holding activity**
- **Reciprocal operations**

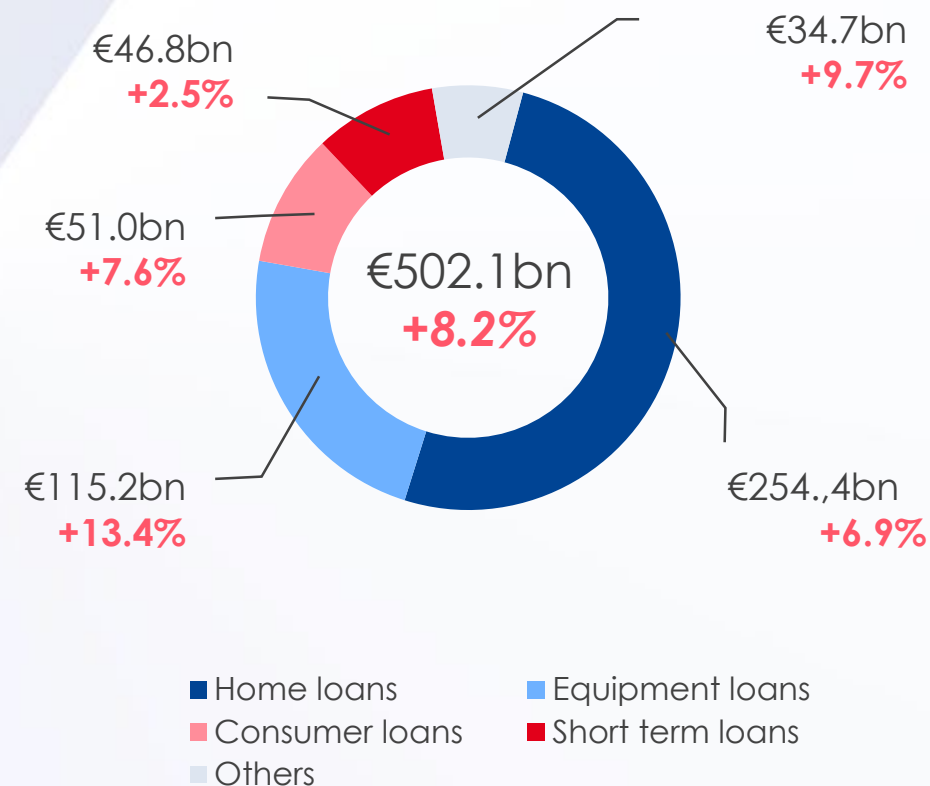
Customers Loans

As at December 2022

- **12.9% increase** in outstanding loans y-o-y (**+8.2% at constant scope**)
- Composed of **51% Home loans**, 23% Equipment loans, 10% Consumer loans, 9% Short term loans and 7% others.
- Include €20.5bn of outstanding from **Crédit Mutuel Nord Europe** and **Beobank**

excluding Group holding companies In million €	2022	2021	Change in %	Change in % (cst perim)
Home loans	254,427	227,097	+12.0%	+6.9%
Equipment loans	115,202	99,282	+16.0%	+13.4%
Consumer loans	51,025	44,184	+15.5%	+7.6%
Short term loans	46,793	44,744	+4.6%	+2.5%
Others	34,650	29,517	+17.4%	+9.7%
Total outstanding	502,097	444,824	+12.9%	+8.2%

Breakdown of loans



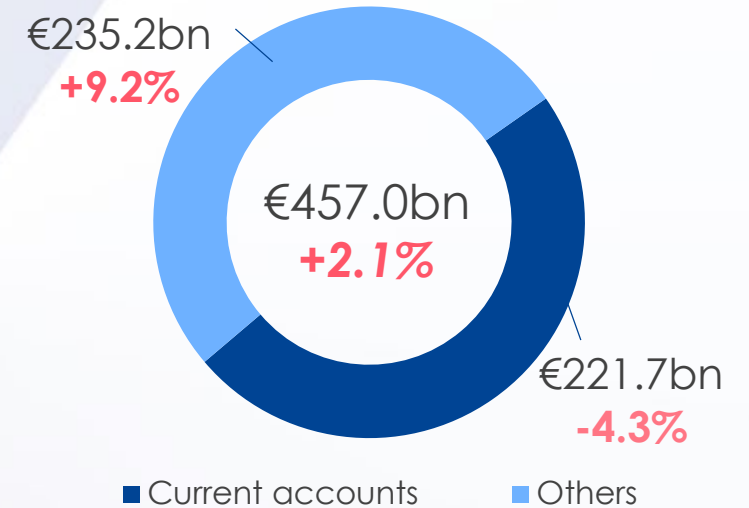
Customers Deposits breakdown

As at December 2022

- **7.5% increase** in outstanding deposits y-o-y (2.1% at constant scope)
- Include €22.7bn of outstanding deposits from **Crédit Mutuel Nord Europe and Beobank**
- Significant inflow in **regulated saving products** (+ €48bn) while major outflows on **current accounts** (- €10bn)

excluding Group holding companies In million €	2022	2021	Change in %	Change in % (cst perim)
Current accounts	221,734	223,511	-0,8%	-4.3%
Others	235,249	201,686	+16.6%	+9.2%
Total deposits	456,983	425,197	+7.5%	+2.1%

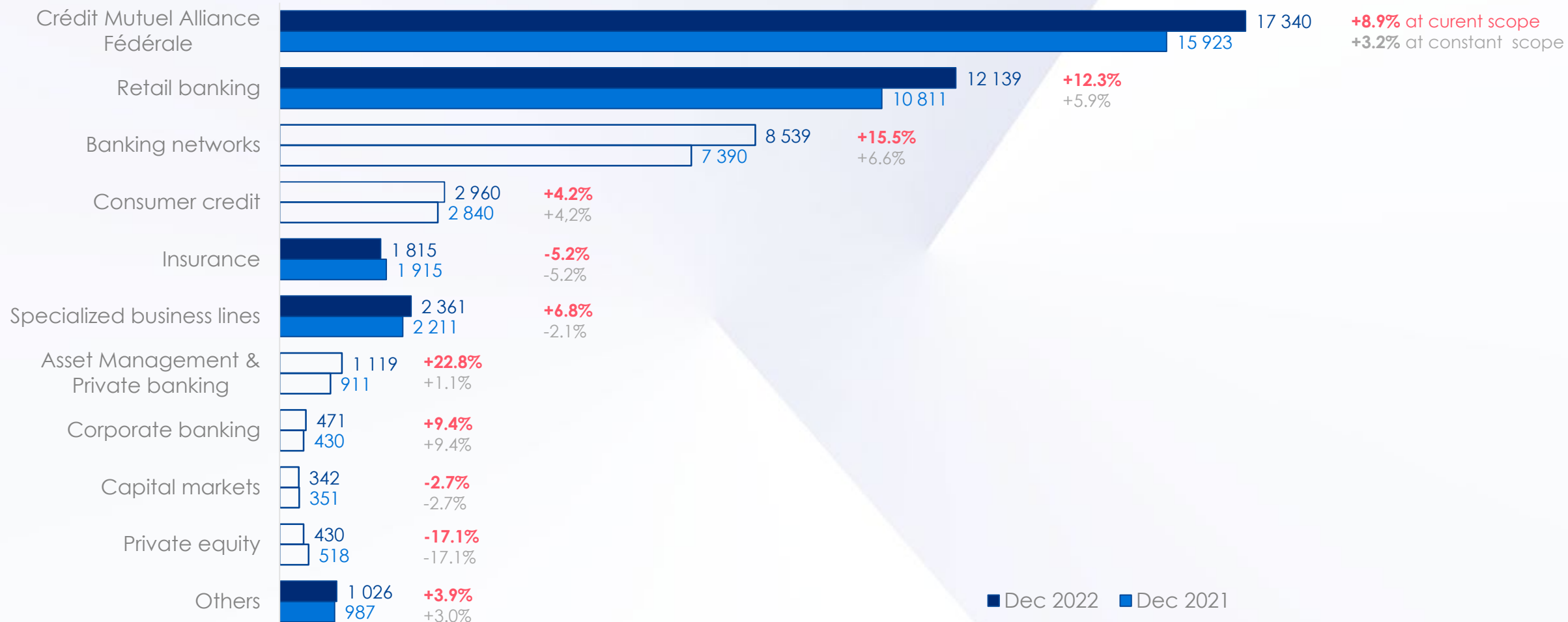
Breakdown of deposits



2022 Full-Year Results – Contribution by Business Units to Net Revenues

A dynamic commercial performance: total net revenues exceeded **€17 bn** for the first time, with a sustained growth of **3.2%** at constant scope, while capital markets and insurance activities were penalized by the financial markets.

Net revenues breakdown



(*)excluding holding, at constant perimeter

2022 Full-Year Results – Cost of Risk

The overall cost of risk amounted to **€768 m** vs €699 m in 2021, which represents an increase of **+5.6%**⁽¹⁾

- **Measured growth (+5bp)** in **proven cost of risk** reflecting uncertain economic environment
 - Networks and consumer finance clients
 - Corporate Banking : Downgrade of receivables from major customer accounts
- **Non proven cost of risk : reversal of provision** due to
 - Discontinuation of the sectoral provisions recorded during the pandemic period offset by the tightening of our economic scenarios
 - Model adjustment to cover uncertainties related to the current situation
- Overall, **moderate increase** in cost of risk which remains **historically low**, lower than in 2019

in € million	2022	Change 2022/2021 ⁽¹⁾	2021	2020
Non proven cost of risk	123m	ns	(111m)	(1.354m)
Proven cost of risk	(891m)	+49.8%	(587m)	(1.023m)
Total Cost of Risk	(768m)	+ 5.6%	(699m)	(2.377m)

in % ⁽²⁾	2022	2021	2020	2019
Non proven customer cost of risk	ns	0.03%	0.28%	0.04%
Proven customer cost of risk	0.18%	0.13%	0.21%	0.24%
Customer Cost of Risk	0.17%	0.16%	0.49%	0.28%

(1) At constant scope.

(2) In % of outstanding loans – annualized.

2022 Full-Year Results - NPL Ratio and Coverage Ratio

Weight of Non Performing Loans well managed

NPL Ratio	2022	2021	2020
Gross loans	511,668	454,020	429,024
Non Performing Loans (S3)	13,181	11,723	12,497
NPL ratio	2.6%	2.6%	2.9%

Coverage Ratio	2022	2021	2020
Total loss provisionning	(9,571)	(9,195)	(9,611)
Loss provisionning (S3)	(6,278)	(5,949)	(6,509)
Loss provisionning (S1 & 2)	(3,293)	(3,246)	(3,102)
Non Performing Loans (S3)	13,181	11,723	12,497
Coverage of proven risk*	47.6%	50.8%	52.1%
Overall coverage ratio**	72.6%	78.4%	76.9%

(*) S3 only

(**) S1, S2 and S3

2022 Full-Year Results – Contribution by Business Units to Net Income

Retail banking and Insurance represent **78 %** of the net income

Contribution to Net Income
by operational business units*

Retail Banking

“Bancassurance” networks

Crédit Mutuel, CIC, BECM, Beobank

Consumer credit

Cofidis Group, Targobank Germany

Others

Leasing, Factoring, Real Estate, others



Insurance

Groupe des Assurances du Crédit Mutuel



Specialized business lines

Asset Management & Private banking

Corporate banking

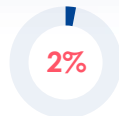
Market activity

Private equity



Others

IT & Media



<i>excluding Group holding companies In millions €</i>	2022	2021	Change in %	Change in m€	Change in % (cst perim)
Retail Banking	2,798	2,363	+18.4%	435	+15.5%
Insurance	832	884	-6.0%	(52)	-6.0%
Specialized business lines	918	1026	-10.6%	(108)	13.9%
Asset Management & Private banking	241	259	-6.9%	(18)	-20.2%
Corporate banking	260	264	-1.6%	(4)	-1.6%
Capital markets	77	87	-11.6%	(10)	-11.6%
Private equity	340	416	-18.3%	(76)	-18.3%
Others (IT, Logistic, Media & others)	(1,045)	(746)	+40.0%	(299)	+40.0%
Net Income	3,502	3,527	-0.7%	(25)	-3.6%

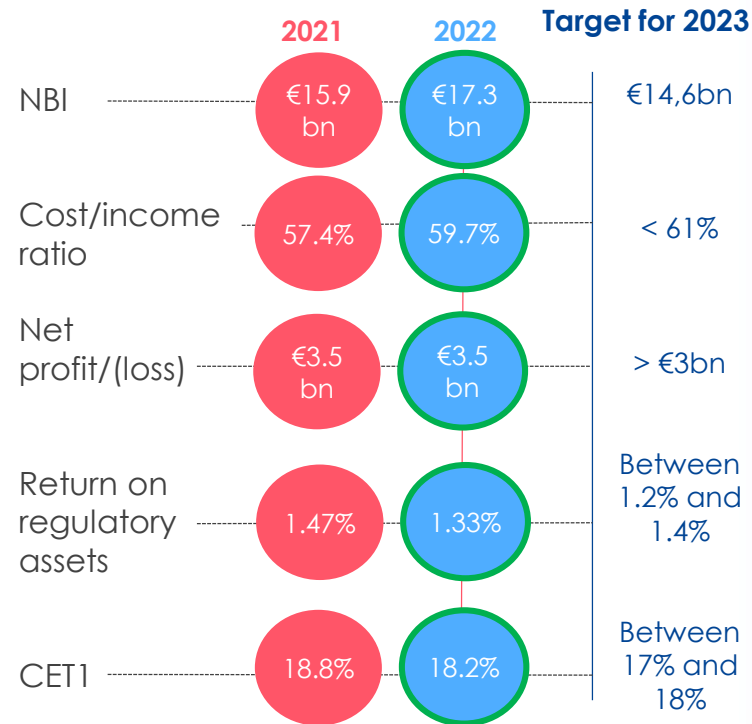
(*) Excluding “Holding company services” business line

2019-2023 Strategic Plan

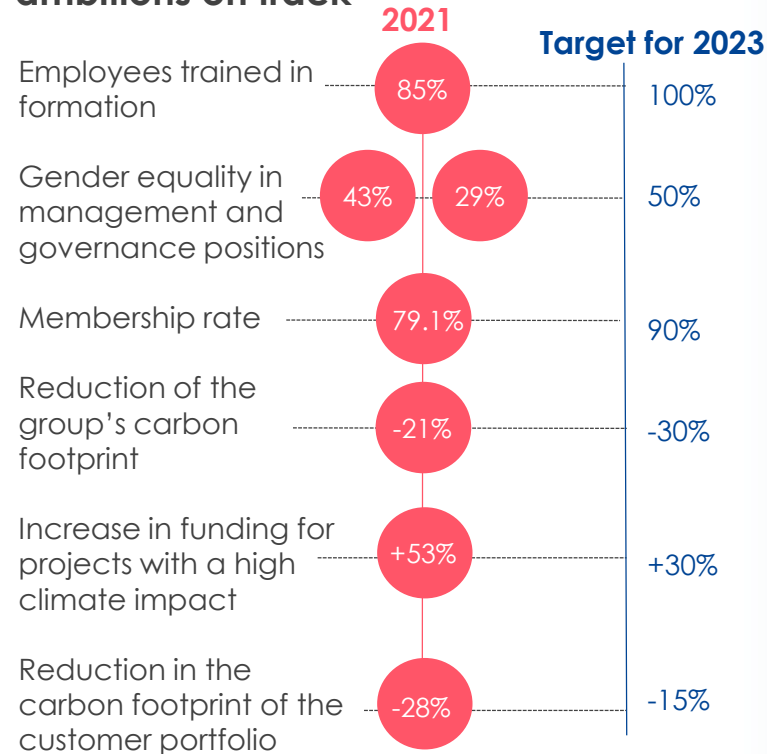
The 2019-2023 strategic plan, revised in 2020 in the context of the health crisis, is a major catalyst for development and transformation to achieve sustainable and responsible performance.



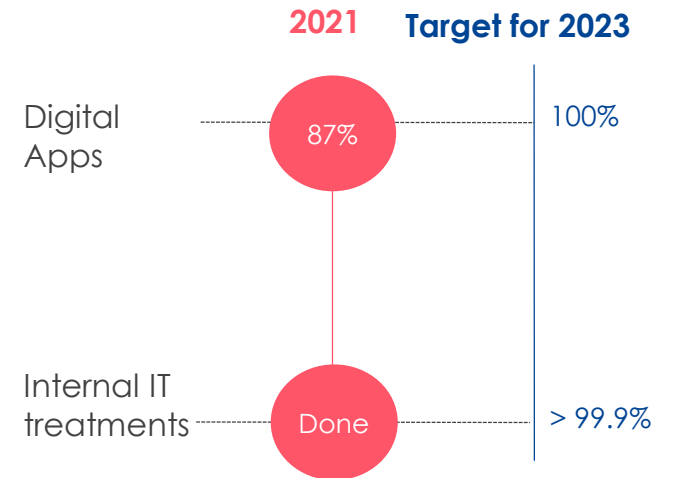
Financial objectives: 2022 performance above 2023 targets



Human and mutualist development ambitions on track



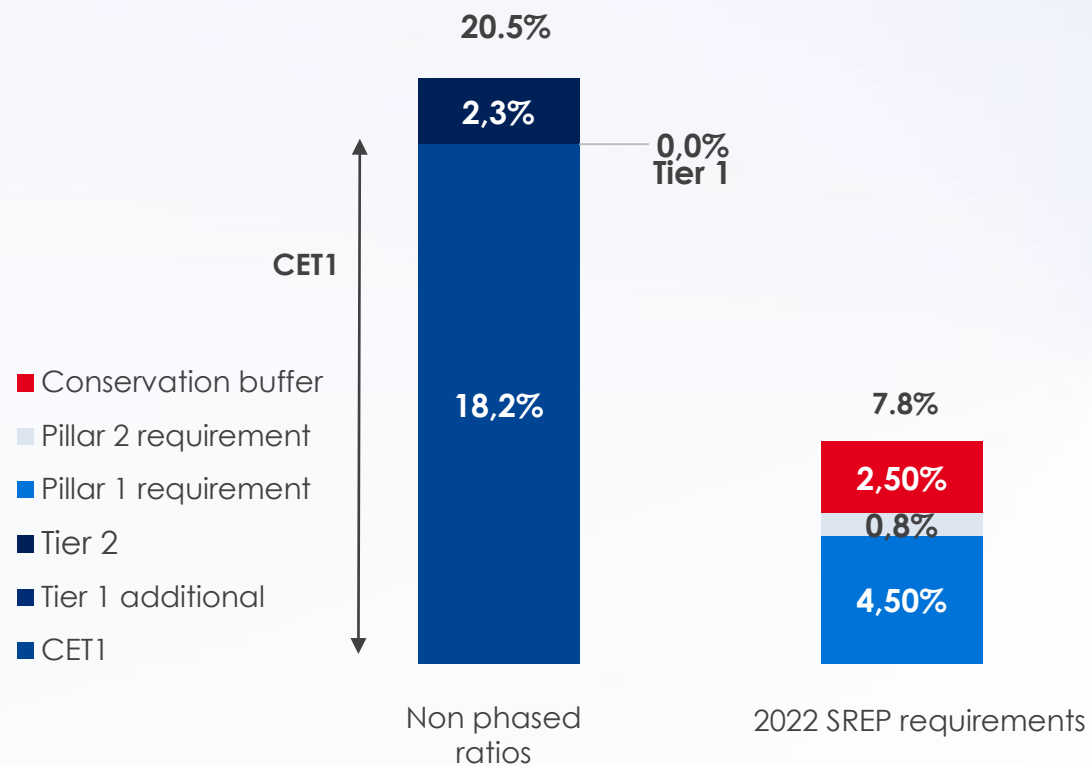
Technological acceleration for the benefit of the relationship



Capital (1)

One of the highest solvency ratios driven by resilient positive results & reserves

Crédit Mutuel Alliance Fédérale SREP CET1 ratio requirement



Regulatory ratios above minimum requirements and Strategic Plan target (between 17% and 18% by 2023)

- Total equity capital of €56.7 bn as at December 2022 (+€3.5 bn) due to **carryforwards**
- RWA reach €280.1 bn (+14.3%), of which **91% related to credit risks**
- Overall, **decrease in CET1 ratio (-60bp)** due to the loss of approval for the internal method on major accounts

	Dec. 2022	Dec. 2021
CET1 ratio	18.2%	18.8%
T1 ratio	18.2%	18.8%
Total capital ratio	20.5%	21.7%
Leverage ratio	6.6%	7.6%

(1) Estimated for Dec 2022– without transitional measures

Liquidity

Strong liquidity profile

Liquidity reserve covers short term redemption

High liquidity levels

- with **€132.8 bn** of HQLA as at December 2022 of which **81%** of Central Bank deposits (mainly ECB)

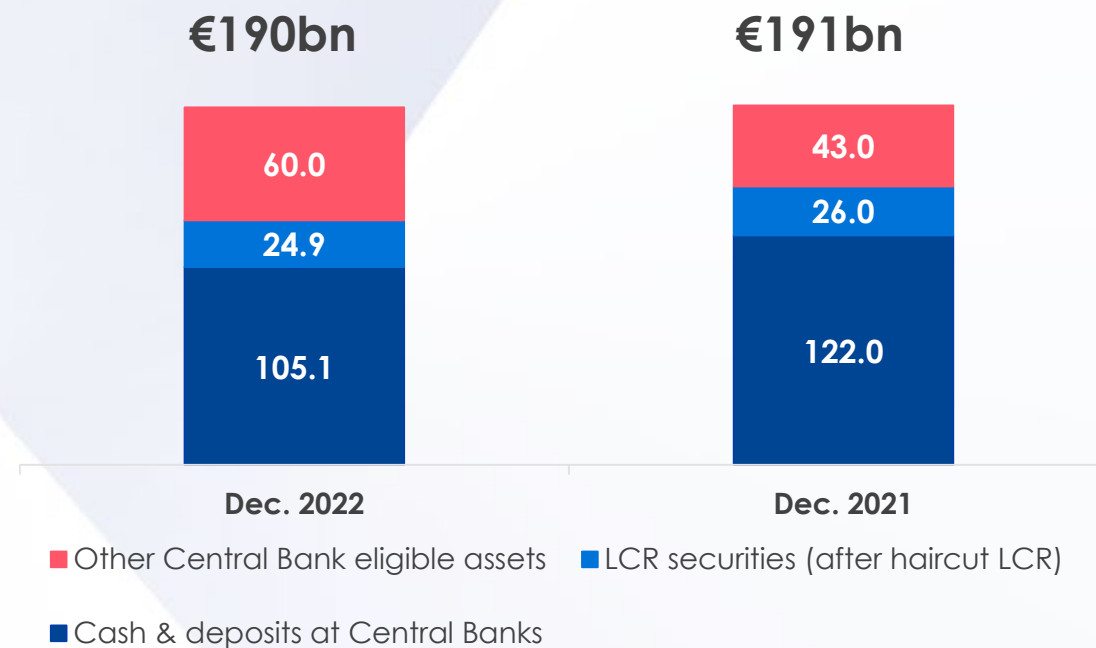
Total liquidity reserves of **€190 bn**

- covers more than 12-months redemptions

LCR average ratio of **153.3%** in 2022

- 181.3%** in 2021

Liquidity reserve



Minimum Requirement Eligible Liabilities – MREL⁽¹⁾

The MREL is set for the Crédit Mutuel Group on a consolidated basis for the resolution group⁽²⁾

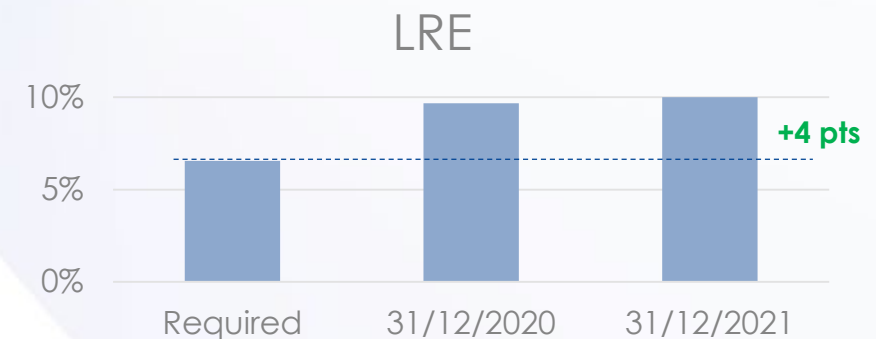
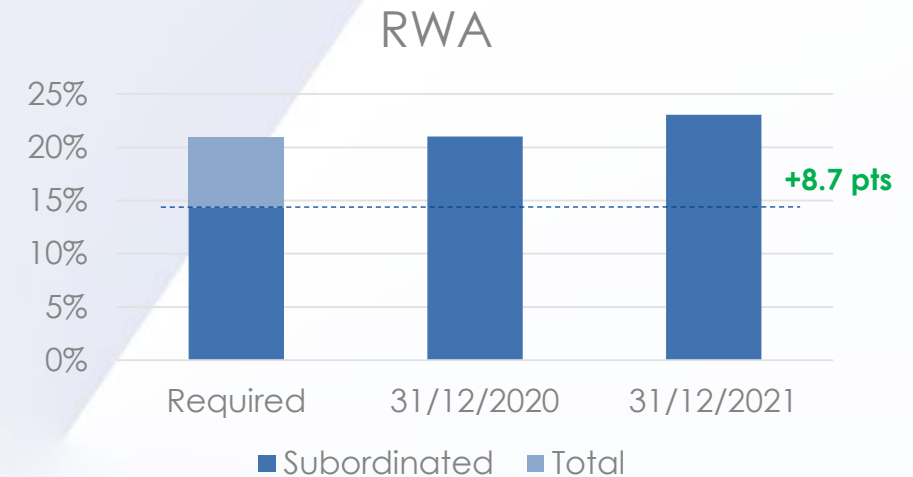
On April 2022, the Group received its MREL notification applicable on a **consolidated basis** at the level of the **resolution group**.

Crédit Mutuel's external MREL requirement is set at **20.99%** of the Group's risk-weighted assets (the "RWA") and at **6.55%** of the leverage ratio exposure.

The subordinated MREL requirement is set at **14.35%** of RWA and at **6.55%** of the leverage ratio exposure.

Crédit Mutuel is **well above** the new requirements :

- Subordinated MREL ratio **23.06%** of the Group's RWA
- **10.61%** of the leverage ratio



(1) As an D-SIB, Crédit Mutuel is not subject to the TLAC requirements defined by the Financial Stability Board

(2) Applicable on a consolidated basis at the level of the resolution group, which is composed of the central body (Confédération Nationale du Crédit Mutuel), its affiliated entities including Banque Fédérative du Crédit Mutuel, and all their subsidiaries.

Funding program 2022

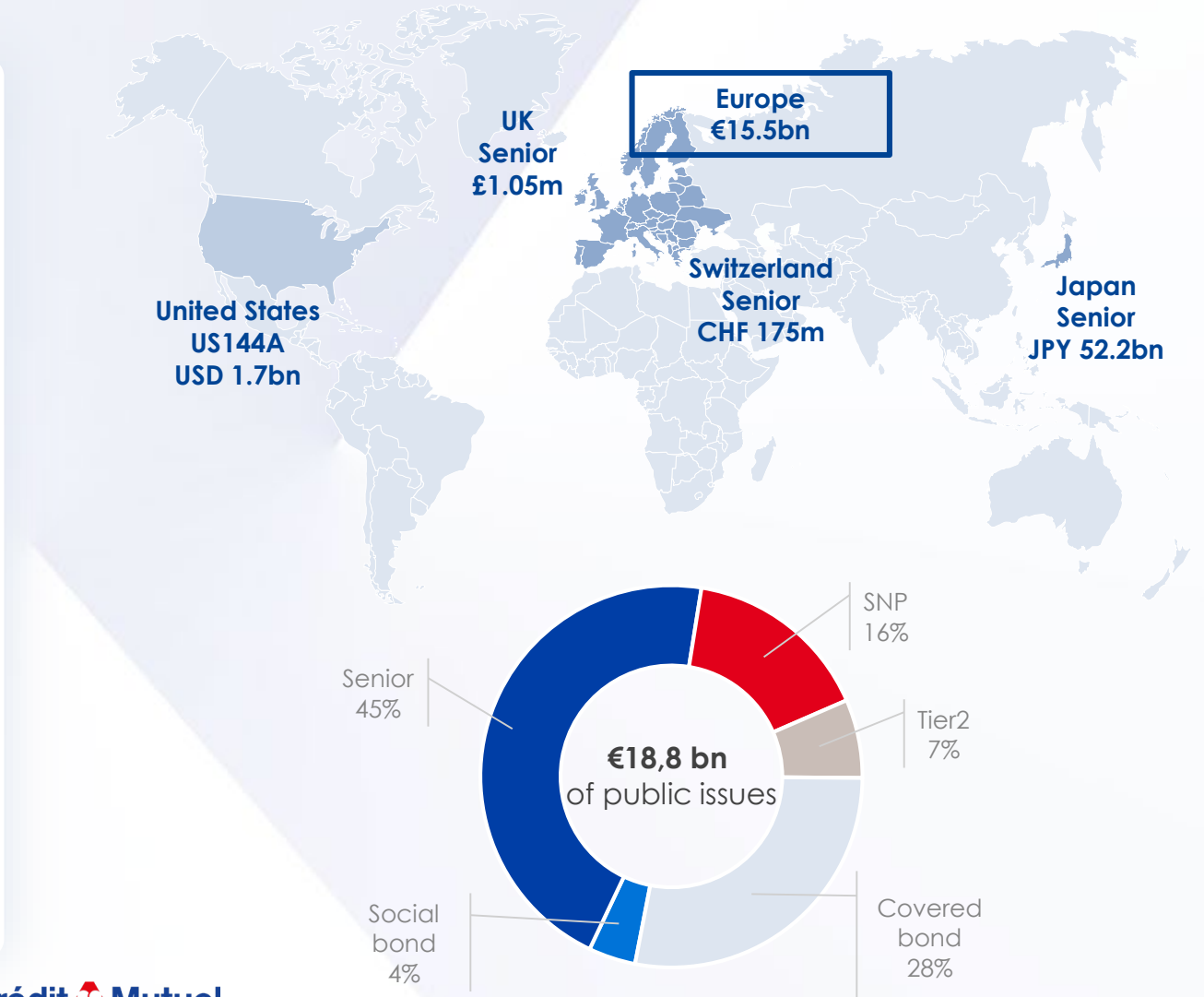
€20,7 bn raised from the MLT refinancing program 2022, including €18,8 bn of public issues

2022 Funding program

- Target of raising c. €18 bn MLT in 2022 achieved
- In 2022 , **€20.7bn** has been raised in MLT issues, i.e. 115% of the 2022 target and €2.7 bn of prefunding for 2023 with an average maturity of **6.1 years**
- 16 public issues for €18,8 bn
- 9% of private issues

Format of 2022 public issues :

- €5,25 bn of Covered bonds – average spread of 0,195%
- €9,3 bn of Senior Preferred - average spread of 0,952% including **€750m** in a **inaugural Social bond**
- €3 bn of Senior Non Preferred (SNP) – average spread of 0,945%
- €1,25 bn of Tier 2 – average spread of 2,249%



Funding program 2023

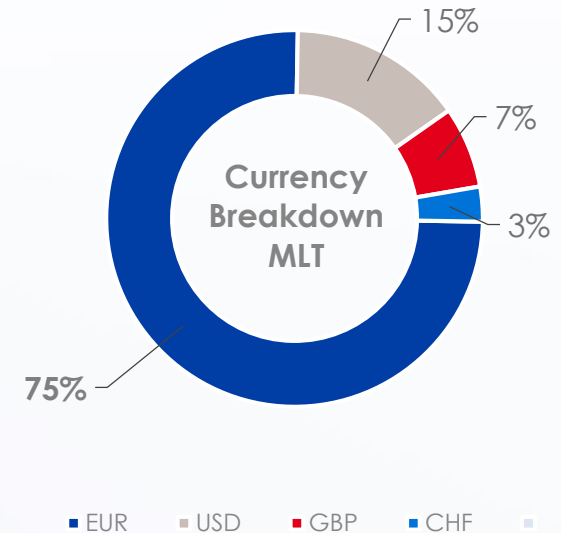
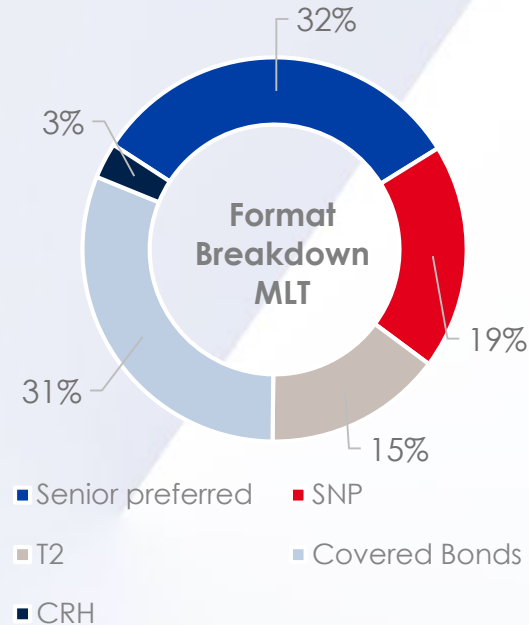
2023 Funding Plan c.€20bn MLT

- NPS/T2 : c.€4bn target
- Green / Social / Sustainability bonds
- Senior and SFH public & private issues (EMTN, US 144A, Samurai)

As at February, 10th 2023, **€8.0bn** has been raised in MLT issues with an average maturity of **5.83 years**

2023 public issuances

- T2 - €1.25bn – 5.125% - 01/2033 - MS+220
- Senior preferred – CHF 235m – 2.3% - 01/2027 - SARON+75
- Senior preferred – £ 500m – 5.0% - 01/2026 - UKT+170
- Senior Non Preferred - €1.00bn – 3.875% - 01/2028 – MS+130
- Senior Non Preferred - €500m – 4.0% - 01/2033 – MS+150
- U.S. - \$1.250bn – 4.935% - 01/2026 – T+118
- Covered Bonds - €1,750bn – 3,125% - 06/2027 (ext. 2028) – MS+15
- Covered Bonds - €750m – 3,125% - 02/2033 (ext. 2034) – MS+32



Ratings

As at December 2022

FINANCIAL RATINGS

	MOODY'S	S&P	FITCH RATINGS ⁽²⁾
Senior-Preferred-Unsecured	Aa3	A+	AA-
Outlook ⁽¹⁾	Stable	Stable	Stable
Senior-Non-Preferred	A3	A-	A+
Tier 2	Baa1	BBB+	A-
Senior-Preferred-Short-Term Debt	P-1	A-1	F1+

Intrinsic Rating

Adjusted Baseline Credit Assessment (Adj BCA)

a3

Stand Alone Credit Profile (SACP)

a

Viability Rating (VR)

a+

Moody's: rating for Crédit Mutuel Alliance Fédérale/BFCM and CIC

Standard & Poor's: rating for the Group Crédit Mutuel

Fitch Ratings: rating for Crédit Mutuel Alliance Fédérale

(1) Senior preferred

(2) October 19th 2022, Fitch Ratings affirms Crédit Mutuel Alliance Fédérale long-term issuer default rating at 'A+' (Outlook Stable)

EXTRA-FINANCIAL RATINGS

	VIGEO EIRIS	SUSTAINALYTICS ^(*)	MSCI	ISS ESG
2018	56	NC	BBB	C-
2019	63	30.6	AA	C-
2020	65	21.8	AA	C
2022	65	21.2	AA	C
Remarks	5 th European bank	Moderate ESG risk		Prime ^(**)

Non-financial rating agencies rate the BFCM and CIC entities taking into account the full scope of Crédit Mutuel Alliance Fédérale.

* The rating scale of Sustainalytics has been modified with a view to favoring a risk analysis methodology (0 to 10: negligible; 10 to 20: low; 20 to 30: medium; 30 to 40: high; >40: severe).

**Companies are categorized as Prime if they achieve/exceed the sustainability performance requirements (Prime threshold) defined by ISS ESG for a specific industry (absolute best-in-class approach) in the ESG Corporate Rating. Prime companies are sustainability leaders in their industry and are better positioned to cope with material ESG challenges and risks, as well as to seize opportunities, than their Not Prime peers.

Social & Mutualist Responsibility

Targeted at 6 SDGs⁽¹⁾ where significant leverage is possible

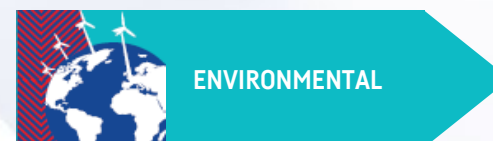
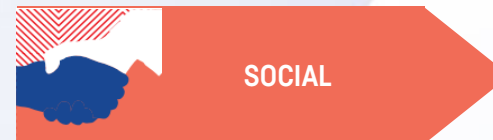
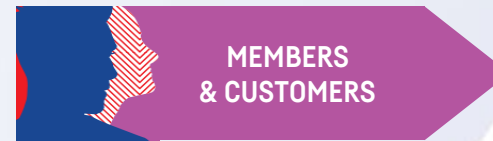
As a committed and socially responsible player, Crédit Mutuel Alliance Fédérale develops a **CSR policy** in line with its identity, which consists of **democracy, proximity, local economic and social development, mutual assistance and solidarity.**

The **Social Mutualist Responsibility** policy is focused on 5 goals including 15 commitments. This strategy supplements the group's development goals by **incorporating social, societal and environmental** issues into the activities of each of its entities.

In order to consolidate the group's SMR strategy, work was undertaken to draw a **parallel** between these 5 ambitions and the **UN's Sustainable Development Goals (SDGs)** adopted in 2015.



Common decision amongst all Crédit Mutuel Alliance Fédérale entities



(1) United Nations Sustainable Development Goals adopted in 2015

Timeline of our SMR Policy Implementation

Leading player in the shift towards a low-carbon economy

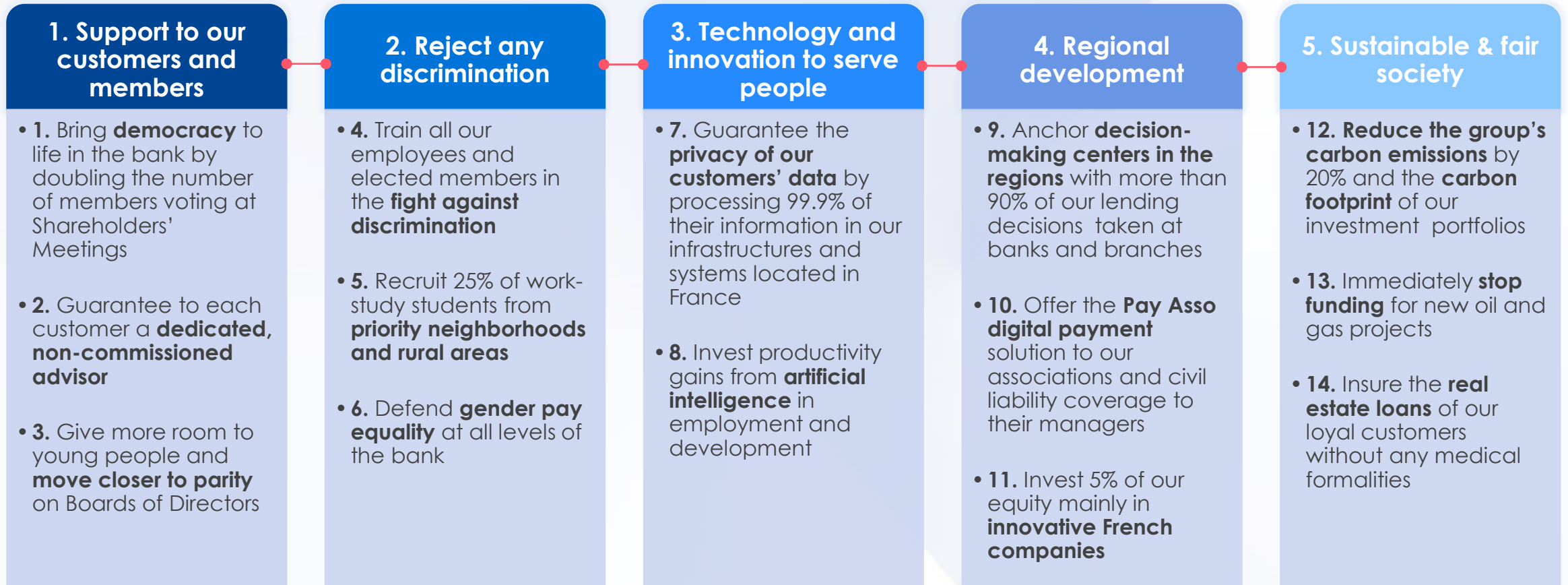


Evolution:

1. Sectoral policies
2. Specific application grids
3. Integration of ESG criteria for large, SMEs and corporates new business
4. Implementation of an external ESG database to enhance counterparty analysis
5. Integration of ESG criteria in the decision support tools

Crédit Mutuel Alliance Fédérale, the first bank « Entreprise à Mission »

A mutualist, ethical, supportive and responsible bank with **5 missions** and **14 concrete commitments**



Societal dividend: 15% of consolidated net income dedicated to environmental and solidarity projects

Putting financial performance to work for the benefit of the whole society

As part of our role as an “Entreprise à Mission”, we make a long-term commitment, proof of our ambition and our action in favor of the environment and solidarity.



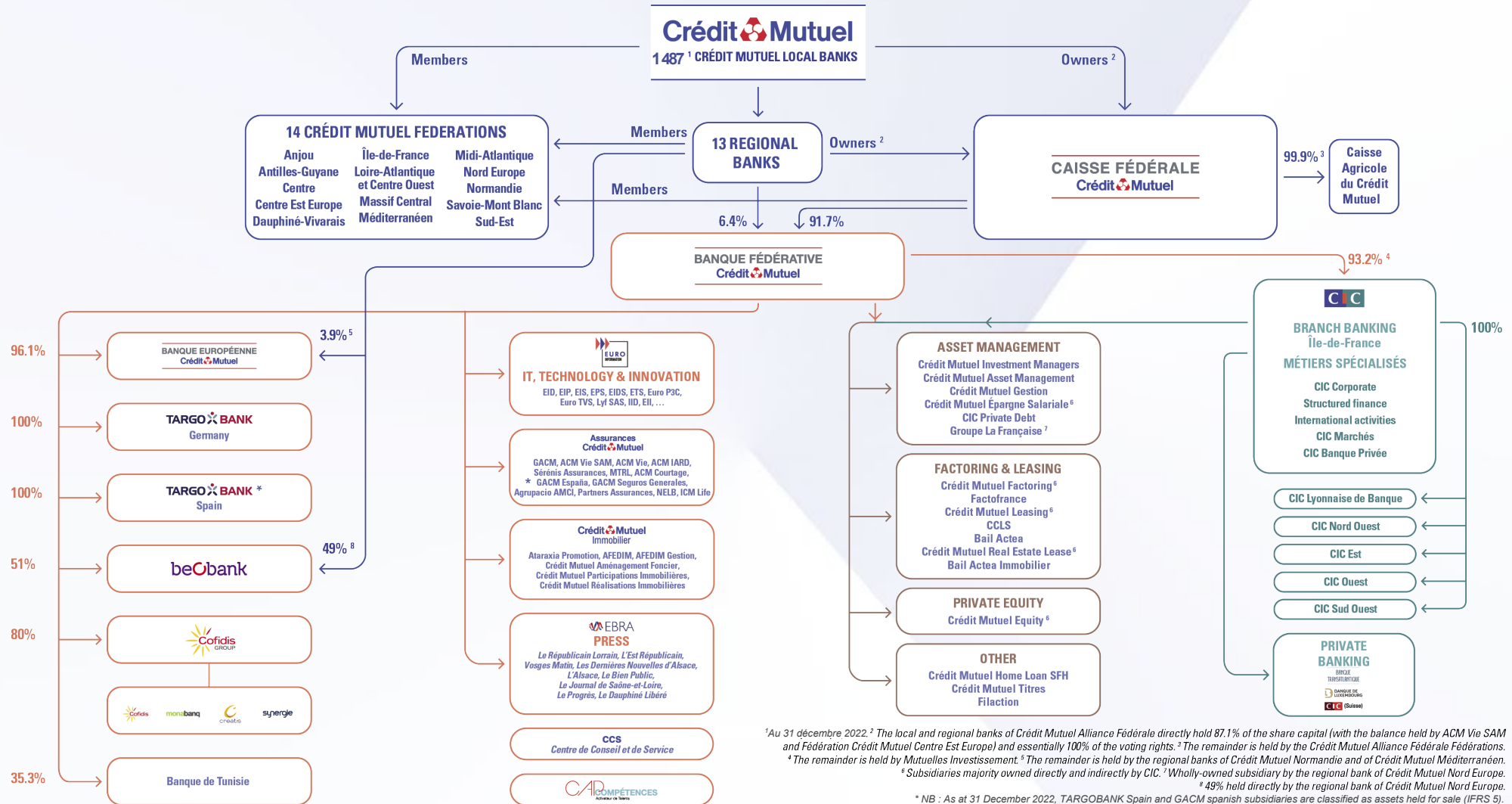
- This is a **sustainable, and verifiable measure** by Crédit Mutuel Alliance Fédérale entailing an unprecedented commitment of **more than €2 billion between now and its 2027 strategic plan.**
- The monitoring of the execution of these commitments **is entrusted to a Mission Committee**

Appendices

1	Organization Chart	p. 28
2	Business Line Results	p. 29-37
3	Green Social and Sustainability Bonds Framework	p. 39-39
4	Awards and recognitions	p. 40
5	Macroeconomic environment	p. 41-46
6	Contacts	p. 47

Crédit Mutuel Alliance Fédérale Organization

Organization chart as at December 2022



¹Au 31 décembre 2022. ²The local and regional banks of Crédit Mutuel Alliance Fédérale directly hold 87.1% of the share capital (with the balance held by ACM Vie SAM and Fédération Crédit Mutuel Centre Est Europe) and essentially 100% of the voting rights. ³The remainder is held by the Crédit Mutuel Alliance Fédérale Fédérations.

⁴The remainder is held by Mutuelles Investissement. ⁵The remainder is held by the regional banks of Crédit Mutuel Normandie and of Crédit Mutuel Méditerranéen.

⁶Subsidiaries majority owned directly and indirectly by CIC. ⁷Wholly-owned subsidiary by the regional bank of Crédit Mutuel Nord Europe.

⁸49% held directly by the regional bank of Crédit Mutuel Nord Europe.

* NB : As at 31 December 2022, TARGOBANK Spain and GACM spanish subsidiaries are classified as assets held for sale (IFRS 5).

2022 Full-Year Results - Retail Banking & Consumer Finance

Successful performance of cross selling strategy and consolidation of Crédit Mutuel Nord Europe and Beobank networks

Strength of the CIC & Crédit Mutuel networks

- Crédit Mutuel networks : **8.7m** customers (+101,000 / +14%)
- CIC networks : **5.5m** customers (+74,000 / +1.4%)
- **+4,500** POS
- **c.90 %** loans approvals locally
- **30,000** dedicated account manager

A diversified distribution strategy

- **19.2 m** risk insurance contracts (excluding life insurance)
- **1,385,000** subscriptions in mobile telephony
- **329,680** residential remote surveillance subscriptions

(in € million)	2022	2021	Change ⁽¹⁾
Net revenues	12,139	10,811	+5.9%
General operating expenses	(7,490)	(6,680)	+4.0%
Gross operating income	4,648	4,131	+8.8%
Cost of risk	(752)	(705)	+2.4%
cost of proven risk	(837)	(567)	+45.6%
cost of non-proven risk	85	(137)	ns
Operating profit/(loss)	3,896	3,426	+10.1%
Net gains/(losses) on other assets and ECC ⁽²⁾	12	(5)	ns
Profit/(loss) before tax	3,908	3,421	+10.6%
Income tax	(1,110)	(1,067)	-0.2%
Net gains/losses on discontinued operations	-	9	ns
Net profit	2,798	2,363	+15.5%

(1) At constant scope. Neutralization of entries in 2022 (CMNE) and exits in 2021 (Floa)

(2) ECC = equity consolidated companies = share of net profit/(loss) of equity consolidated companies.

2022 Full-Year Results

COFIDIS



Good commercial performance and a cost of risk under control

RESOURCES AND ASSETS

Production of €10.1 bn :
€1.6 bn more than 2021

c.5,800 employees

Direct recruitment channel: **+22%**

Partnership channel: **+26%**

Over 10 m customers

MAIN BRANDS

Cofidis:

A European online consumer loan specialist based mainly in France, Belgium, Italy, Spain and Portugal

Monabanq:

An online bank

Creatis:

A loan consolidation specialist



KEY INDICATORS

Outstanding loans increased by 13% compared to 2021 to reach €18.2 bn

Strong increases in outstandings and commissions lead to a **€72m increase in Net Revenues**

Cost of risk remains under control at 2.2% of the outstandings (+20bp vs 2021)

Net income of €134 m, down 12% vs 2021

BUSINESS MODEL

The COFIDIS Group grew its business based on **a unique concept, remote lending**

This robust business model calls for **constant innovation**, combining new products and services, close customer relations and new technologies

The COFIDIS Group pursues a **development strategy** to support its growth in France and internationally

2022 Full-Year Results

Targobank Germany

Improvement in revenues with strong dynamism in consumer finance & factoring

RESOURCES AND ASSETS

c.3.6 m
private, business & corporate customers

332
Points Of Sales
as at Dec 2022

COMMERCIAL BANKING

New brand TARGOBANK CIB since integration of the German branch of Banque Européenne du Crédit Mutuel SAS

TARGOBANK operates in:
Equipment finance, Factoring, Credit & financing, Accounts & cards, Wealth management, Protection, Car loans, Commercial loans, Leasing, Factoring, Investment loans...

A branch network spread over Germany's 250 largest cities with a countrywide distribution system

KEY INDICATORS

Net Revenue grew of **3.1%** thanks to rising interest rates

Increase in cost of risk linked to higher loan production and prudent management of provisions

Contribution to Consumer Finance **Net Income is slightly down to €293m** due to higher cost of risk

VALUE CREATION

Significant increase in loans production to **€6 bn** in 2022 (€5bn in 2021)

Outstanding loans in retail banking grew by **9.9%** to **€19.7 bn**

Deposit outstanding **€22.9 bn**

Corporate activities* are clearly recovering with an **increase in the factoring and leasing businesses**

(*) classified in the "banking network" and "business line subsidiaries" sectors

2022 Full-Year Results – Insurance

Sustained activity in a context of market turmoil, increased climate-related claims and rising inflation

Strong inflows in Life Insurance

- Gross life insurance premium income, pensions and capitalization +12.5% reaching €7bn
- Positive net premium at +1.5bn, due to units-linked contracts (€ 1.6bn) while net premium in Euro funds is stable
- Significant increase in paid rates to policyholders to 2.3% in average

Increase in all Risk Insurance portfolios

- Property and automotive insurance +2.9%
- Personal insurance +4.7%

International activities

- Signature of an agreement for the sale by GACM SA of 100% of the share capital of GACM España to Axa Spain*

Decrease in net insurance income (-6%)

- Unfavorable trends in the **financial markets** on the valuation of assets
- Natural events which result is **higher climate related claims**
- **Rising inflation** making cost of insurance repairs more expensive

(in € million)

	2022	2021	Change
Net insurance income	1,815	1,915	-5.2%
General operating expenses	(725)	(670)	+8.3%
Gross operating income	1,089	1,245	-12.5%
Net gains/(losses) on other assets and ECC ⁽¹⁾	(4)	(2)	ns
Profit/(loss) before tax	1,085	1243	-12.7%
Income tax	(253)	(358)	-29.4%
Net profit	832	884	-6.0%

(1) ECC = equity consolidated companies = share of net profit/(loss) of equity consolidated companies.

Policies portfolio

36.6 m contracts
+2.8% vs. 2021
With 13 m policies holders

Commissions paid

€1.9 bn
Of which €1.6bn for
Crédit Mutuel
Alliance Fédérale

* Expected to be completed in the second quarter of 2023, subject to regulatory approvals.

2022 Full-Year Results - Asset Management & Private Banking

Solid revenues (+1.1%) and benefits from significant newly consolidated entities

Newly consolidated subsidiaries

- **La Française** (€161.4 m in net revenues)
- **Crédit Mutuel Investment Managers** (€16.6 m in net revenues)
- **CIC Private Debt** (€19.4 m in net revenues)

Asset Management

- **€166 bn** in AUM and a total net inflows of €6.6bn*
 - Of which **€2.2 bn net inflows** recorded by **La Française REM** (leading position in the French collective real estate market with c.€32.7 bn in AUM)
- Among all asset managers, **267 responsible funds**
 - 232 funds classified as Article 8
 - 35 funds classified as Article 9

Private Banking : Good commercial dynamism

- Increase in net revenues for the **Banque Transatlantique Group** in France and abroad
- **9% increase** in net revenues for **Banque de Luxembourg** stems from its commercial performance and an increase in net interest margin

(in € million)	2022	2021 ⁽¹⁾	Change ⁽²⁾
Net Revenues	1,119	911	+1.1%
General operating expenses	(794)	(571)	+10.1%
Gross operating income	326	340	-14.0%
Cost of risk	(33)	(9)	ns
Résultat d'exploitation	293	331	-21.7%
Net gains/(losses) on other assets and ECC ⁽³⁾	15	0	ns
Profit/(loss) before tax	307	331	-21.8%
Income tax	(67)	(73)	-27.5%
Net Income	241	259	-20.2%

(1) Constant scope

(2) At constant scope. Neutralization of new entries in 2022: Crédit Mutuel Investment Managers, CIC Private Debt, La Française

(3) ECC = equity consolidated companies = share of net profit/(loss) of equity consolidated companies.

* Excluding monetary funds

2022 Full-Year Results - Corporate banking

Strong performance due to dynamic loan production and higher commissions

Structured finance

- Overall **credit production** stays solid and similar to 2021 despite slowdown in underwriting operations
- Revenues declining (-14%) compared to 2021 which was an outstanding year

CIC Corporate

- Continuation of **clients' investment operations** and **medium-term projects** despite difficult market and macroeconomic situation
- **Revenues are up sharply**, due to loan production and an increase in commissions following patrimonial and structuring operations

International Activities Department (DAI)

- Increase in activity with exporting companies despite geopolitical situation
- Overall, more than 300 French companies supported in their international activities

(in € million)	2022	2021	Change
Net Revenue	471	430	+9.4%
General operating expenses	(146)	(128)	+14.6%
Gross operating income	324	303	+7.2%
Cost of risk	7	39	-81.0%
<i>cost of proven risk</i>	(51)	6	ns
<i>cost of non-proven risk</i>	58	32	+79.4%
Income/(loss) before tax	332	341	-2.8%
Income tax	(72)	(77)	-6.8%
Net Income	260	264	-1.6%

2022 Full-Year Results - *Capital markets*

Robust level of net revenues despite the geopolitical and economic situation

- Net revenues slightly down compared to 2021, due to
 - an unfavorable base effect (2021 was an exceptional year)
 - a deteriorated **geopolitical and economic situation**
- **CIC Market Solutions** generated a **Net Revenue** of **€169 m** (+33%, €127m in 2021) mainly due to Structured EMTNs and interest rate, currency and commodity risk hedging
- The **Investment activity*** generated a **Net Revenue** of €173 m (vs. 224m in 2021) benefited from a strong rebound over the last trimester

<i>(in € million)</i>	2022	2021	Change
Net Revenue	342	351	-2.7%
General operating expenses	(236)	(232)	+1.8%
Gross operating income	106	119	-11.3%
Cost of risk	(1)	(3)	-83.0%
Income/(loss) before tax	105	116	-9.2%
Income tax	(28)	(28)	-2.0%
Net Income	77	87	-11.6%

(*) Fixed income-equity-loans business line

2022 Full-Year Results - Private equity

Strong net income based on a good portfolio quality and long term investments

Crédit Mutuel Equity

- Long-term commitment alongside company managers
 - more than a quarter of its 329 equity interests for more than 10 years
 - An average of nearly **€1 bn** are invested and divested every two years
- The portfolio in invested assets now reaches **€3.3 bn**
 - Investment activity in 2022 was robust with **€436.5 m** despite the macroeconomic uncertainties
- **Net income** at December 2022 amounted to **€340 m**, second historic highest level after 2021, mostly due to capital gains and commissions on M&A operations

(in € million)	2022	2021	Change
Net Revenue	430	518	-17.1%
General operating expenses	(75)	(77)	-2.0%
Gross operating income	355	446	-19.7%
Cost of risk	2	(21)	ns
Income/loss) before tax	357	420	-15.2%
Income tax	(17)	(4)	ns
Net Income /(loss)	340	416	-18.3%

2022 Full-Year Results - *Others (IT, Logistic, Media and others)*

Net loss of € 1,045m due to "Gain and losses on other assets"

- Net banking income up to €1,026 m (€987 m euro in 2021), mainly reflecting the increase in revenues from the Group's IT companies
- Decrease in gross operating income compared to 2021 :
 - Slight decline for the logistics sector (€183 m)
 - Deterioration in the "press" activity (- €14 m) due to higher costs while stable revenues
- Income before tax at - €1,045 m (vs - €746 m in 2021) mainly impacted by "Gains and losses on other assets", which includes
 - an adjustment to the value of the goodwill of TARGOBANK in Germany linked to the increase in the discount rate
 - an additional provision linked to the potential sale of TARGOBANK Spain to ABANCA, announced by the Group on December 22, 2022

Green Social and Sustainability Bonds Framework

After issuing **green bonds in 2020 and 2021** through the BFCM, Crédit Mutuel Alliance Fédérale is strengthening its ESG positioning on the markets by issuing its **first social bond in 2022**.

Crédit Mutuel Alliance Fédérale issuers are committed to develop the Green, Social and Sustainability Bond market:

- Integrating green debt financing instruments to support the just transition to a low carbon and sustainable economy
- Building a more sustainable portfolio
- Contributing to the achievement of the United Nations Sustainable Development Goals

Crédit Mutuel Alliance Fédérale's Framework is established in accordance with:⁽¹⁾

- the ICMA Green Bond Principles 2021, Social Bond Principles 2021 and Sustainability Bond Guidelines 2021
- the EU Green Bond Standard
- the recommendation of the Technical Expert Group final report on the EU Taxonomy
- Moody's ESG Solutions (ex Vigeo Eiris) was commissioned to provide a Second Party Opinion to confirm the alignment with the ICMA principles ⁽²⁾









MOODY'S | ESG

(1) The Green, Social and Sustainability Bond Framework as at March 2022 is available on [BFCM website](#)

(2) The Second Party Opinion as at June 2022 is available on [BFCM website](#)

Green Social and Sustainability Bonds Framework

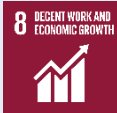




Financing green and social activities in line with its DNA⁽¹⁾

Category	Description
Green Buildings  	<ul style="list-style-type: none"> Green prime residential buildings ✓ Green commercial buildings Building renovation
Renewable Energy  	<ul style="list-style-type: none"> On- and offshore wind energy ✓ Solar Energy
Low Carbon Transport  	<ul style="list-style-type: none"> Infrastructure for low carbon land transport Infrastructure for low carbon water transport Low-carbon vehicles and rolling stock

Exclusion criteria

- Loans to Enterprises operating in the business sectors listed in the Exclusion list hereto, such as, but not limited to, tobacco, gambling, weapons and munitions, alcohol (excluding beer and wine),
- Loans related to projects located in non-designated countries,
- Loans financed by any other type of funding,
- Loans originated more than 3 calendar years prior to the year of identification of a portfolio of Eligible Loans in a given category,
- Non-performing loans.

(1) The Green, Social and Sustainability Bond Framework as at March 2022 is available on [BFCM website](#)

Category	Description
Local Development SME financing 	<ul style="list-style-type: none"> SMEs located in regions of France where the unemployment rate per inhabitant is higher than the national average ✓ SMEs impacted by the consequences of extreme events
Affordable Housing  	<ul style="list-style-type: none"> Prêt d'accès sociale - PAS (Social ownership loan)
Access to Essential Services Healthcare 	<ul style="list-style-type: none"> Purchase of heavy medical equipment (e.g. X-ray machines, MRI scanner, CT scanner) by health professionals in France
Access to education and professional training 	<ul style="list-style-type: none"> Finance higher education, vocational training, and apprenticeship to all, including individuals, farmers or professionals ✓

Inaugural Social Bond in 2022 ✓

Green Bonds ✓

Awards and Recognitions

**A DEDICATED
HR policy
RECOGNISED
IN 2021 AND
2022**

**« Meilleurs
employeurs » 2021,
2022 and 2023
Category Network
banks**
for Crédit Mutuel et le
CIC



**« Top employer » 2021
and 2022**
for Targobank



**Great Place to Work
2022**
Among french
companies
for Cofidis and
Monabanq



**« Grand Prix 2022 » and
« Prix d'Or »**
Good Économie 2022,
July 2022



Bank of the year in France
for the 9th time
World Finance 2021



**Global Compact :
Niveau GC Advanced**
July 2021



**« Palmarès des
entreprises les plus
responsables »**
Le Point, November 2021



**1st mutualist group to join
the Net-Zero Banking
Alliance**
May 2021

**ETHICAL AND
LONG TERM
DEVELOPMENT**



**« Trophées Qualité de
la Banque 2022 »**
For Crédit mutuel and
CIC
MoneyVox 2022



**« Palmarès Image
des banques »**
1st rank among banks
Baromètre Posternak-
Ifop 2022



**« Podium de la relation
client »**
Best digital experience
for CIC
Bearing Point – Kantar,
March 2022

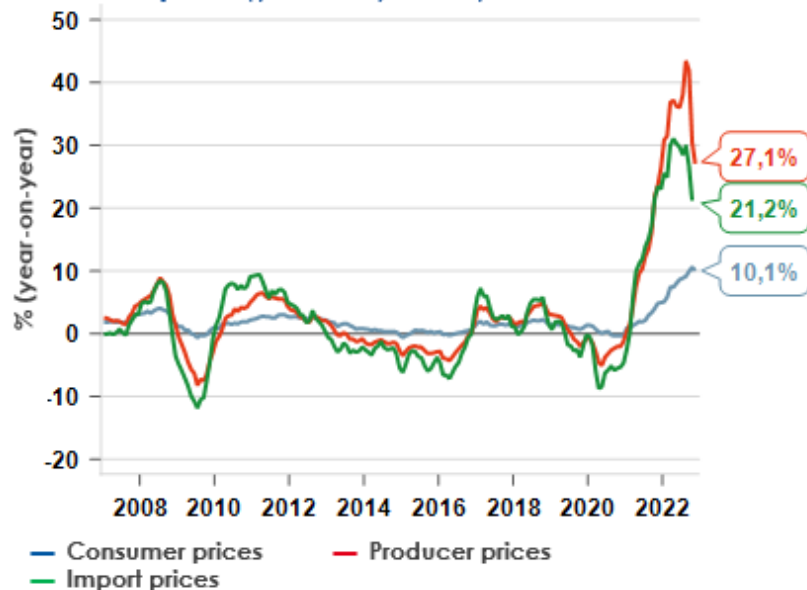


Label d'excellence
Category House
Insurance
Dossiers de l'épargne,
2022

**OPERATIONAL
EXCELLENCE
AT THE
SERVICE OF
OUR CLIENTS**

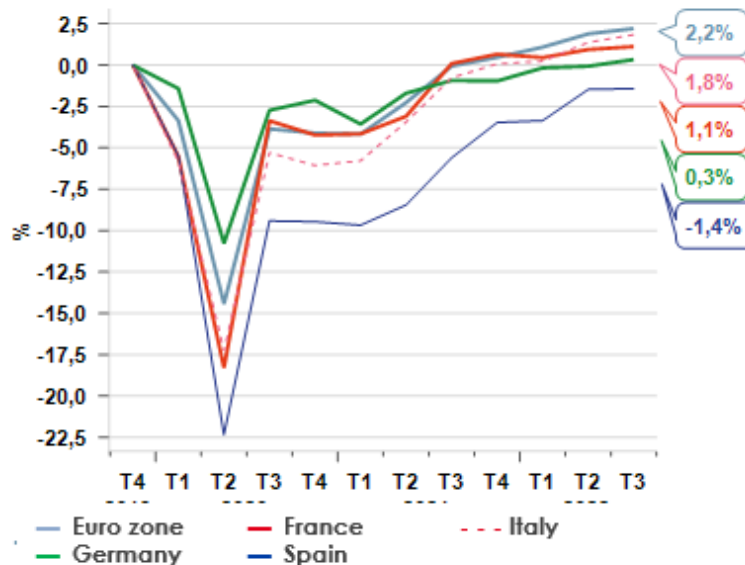
Macroeconomic environment in the euro zone (1)

Import and production prices in industry and consumption (year-on-year, %)



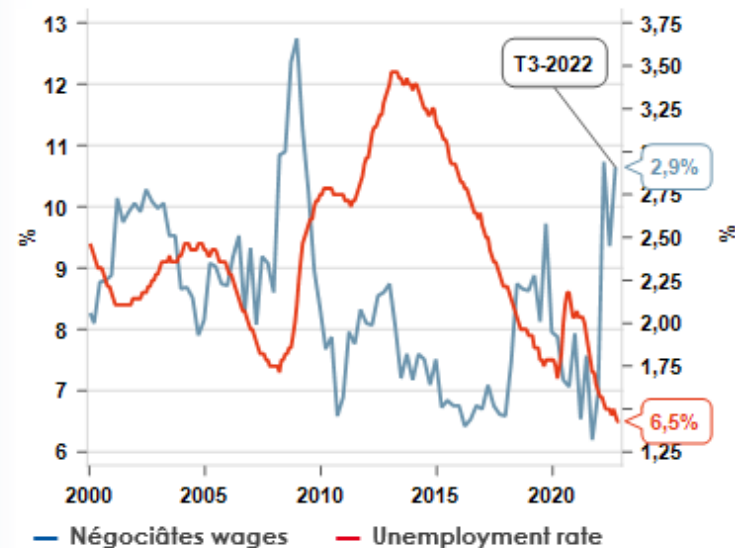
Source: Macro bond, CIC Market Solutions

Change in GDP since Q4-2019



Source: Macro bond, CIC Market Solutions

Unemployment rate and change in negotiated wages (year-on-year)



Source: Macro bond, BCE, CIC Market Solutions

- **European inflation** has surpassed that of the United States due to the **energy crisis** that is taking over from the Covid-19 crisis
- While the **peak in inflation seems to be out**, the path of decline will remain slow

- Mild temperatures and government support have helped **growth to be resilient**
- Some indicators (ex PMIs) suggest that a **slowdown has begun**

- Wages are accelerating due to labor shortage, reinforcing the **risk of an inflation-wage loop**
- The duration of wage increases will depend on the **availability of labor** and the **depth of the recession**

(1) As at December 2022

Macroeconomic environment – projections⁽¹⁾ as at December 2022

ECB macroeconomic projections for the euro area

	2022	2023	2024
HICP	8.4	6.3	3.4
Real GDP	3.4	0.5	1.9
Unemployment rate (% of labour force)	6.7	6.9	6.8

Banque de France macroeconomic projections

	2022	2023	2024
HICP	6.0	6.0	2.5
Real GDP	2.6	0.3	1.2
Unemployment rate (% of labour force)	7.3	7.5	8.2

- In spite of better than expected economic growth in the **first half of 2022**, the economic consequences of the war in Ukraine continue to unfold and **darken the outlook for the euro area economy while pushing up inflationary pressures further**
- While the **labour market** is projected to weaken in the wake of the expected slowdown in economic activity, it is seen to **remain resilient overall. In France**, the unemployment rate has fallen to a **historic low for France (7.3% in 2022)**
- The **outlook** for the euro area (France included) has **deteriorated** somewhat, **with weaker growth and higher and more persistent inflation** than envisaged in the September 2022 ECB and Banque de France staff macroeconomic projections

(1) Source ECB and Banque de France as at December 2022
Annual percentage changes, unless otherwise indicated

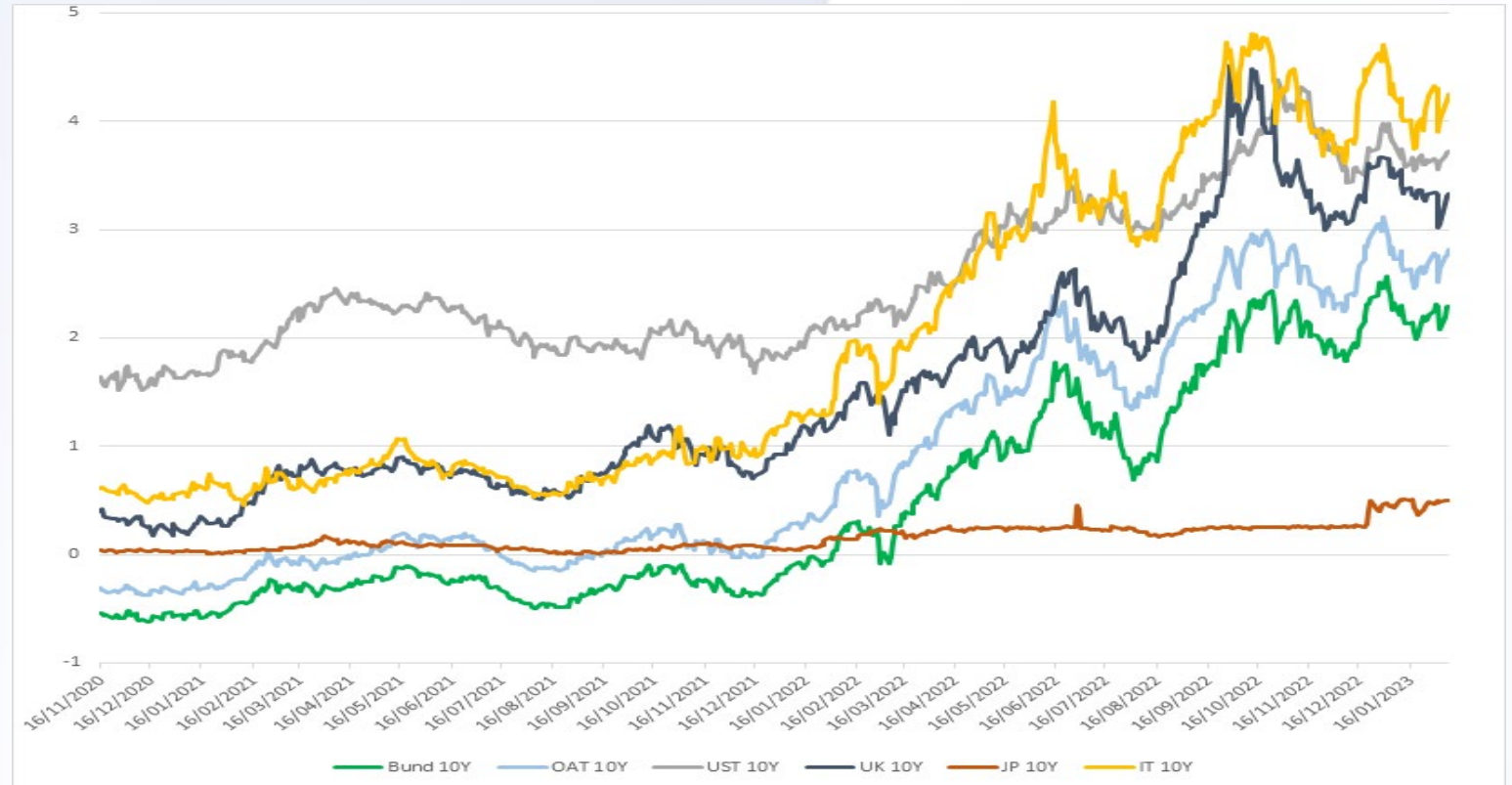
Impact of inflation on the market environment

Exhaustion of the upward potential of 10-year sovereign rates

Long-term rates

- The **slowdown in monetary tightening** and the **recession** will limit the additional potential for growth
- However, a **downward correction** is still **not expected** due to **major catalysts**: shrinking balance sheets of central banks, government issuance and the need to maintain a restrictive monetary policy

Source: CIC Market Solutions



Source: BFCM

Real estate credit environment in France

Characteristics of the French real estate market : highly regulated and low risk

- Obligation for the borrower to:
 - take out **creditor insurance**
 - obtain a **guarantee** for the financed property (see opposite)
- Granting process that requires a **significant personal contribution** (which depends on the borrowing capacity)
- Compliance with **HCSF recommendations** ⁽¹⁾:
 - **Monthly annuity: max. 35%** of disposable income
 - **Maximum maturity: 25 years**
- Loans granted mainly at **fixed rates**
- **Social welfare** that mitigate the risk of income loss

A very low loss ratio (around 1% according to the ACPR in 2020) **also demonstrated during European stress tests.**

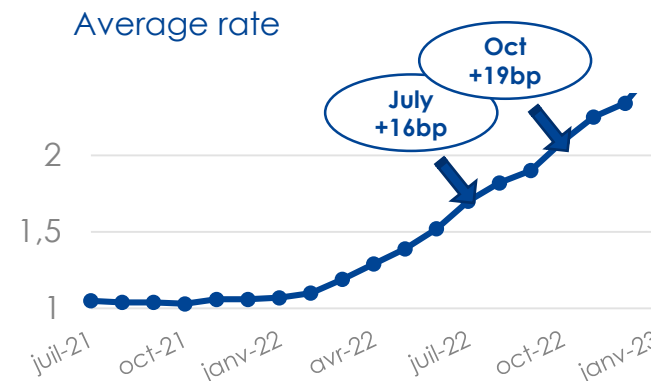
In France, all home loans are guaranteed by:

1/ Mortgages: which are registered by notaries in the Land Registry

2/ Cautions:

- **Crédit Logement:** the market leader for residential home loan guarantees
 - **Owned by the major French banks: Crédit Mutuel** as **5th** major shareholder (10%, as at December 2021)
 - **Ratings: Aa3 stable** (Moody's), **AA low stable** (DBRS)
- **Internal caution:** owned by a banking group or an insurance company
 - **Cautionnement Mutuel de l'Habitat « CMH »** for Crédit Mutuel Alliance Fédérale

Market indicators in France, Observatoire Crédit Logement January 2023



- Average fixed interest : **2.59%** i.e. **2.43% for 15yrs to 2.59% for 25 yrs**
- **Significant increases** post quarterly revaluation of the usury rate
- The **Livret A rate** is set at 2% to date and is to **increase to 3%** since Feb 2023

(1) Haut Conseil de Stabilité Financière

Snapshot of Crédit Mutuel Home Loan SFH

“High-quality European Covered Bond Label” obtained in July 2022

« Société Financement à l’habitat »

Restrictive eligibility criteria

- **French Covered Bond Structure**
- No area, no securitization, or asset substitution
- Only loans originated by the group’s networks are eligible with an **origination in every region of France**
- Prime residential mortgages and guaranteed home loans only
- **Monthly annuity max. 33%** of disposable income for guaranteed loans

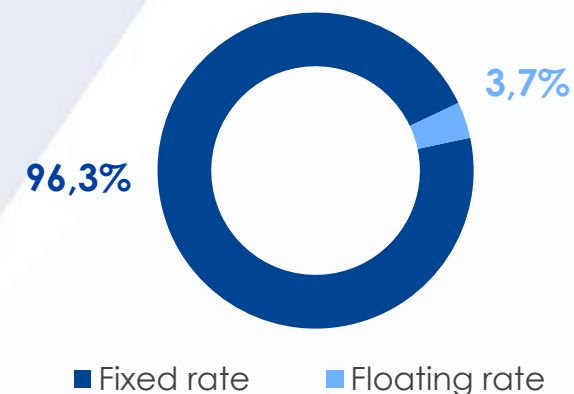
Main characteristics of the program

- **Program size: €60 bn**
- **Ratings: Aaa** (Moody’s), **AAA** (S&P), **AAA** (Fitch)
- **Max. 100% LTV** (80% cap for ACT)
- **Risk weighting:** ECBC + CRR / CRD4 compliant
- **Maturity type:** hard or soft bullet
- **French law**

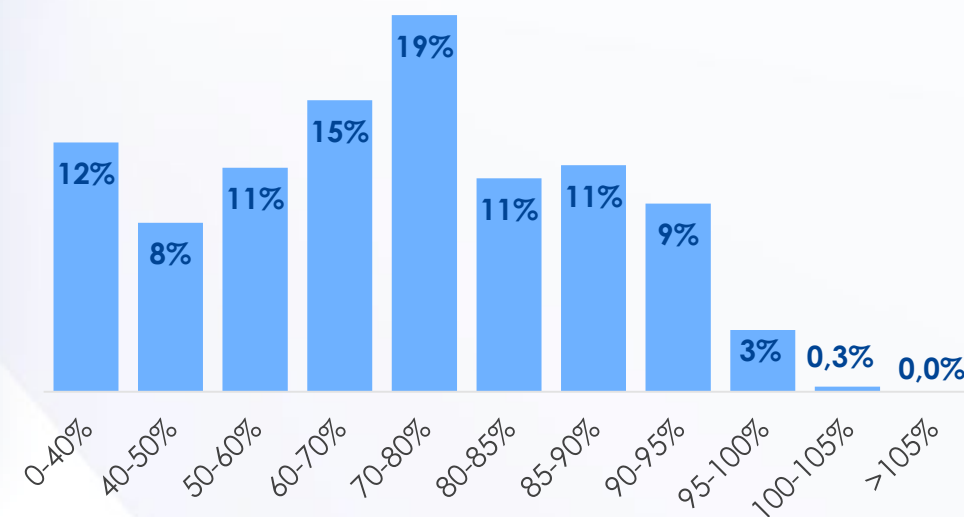
Cover pool as at January 2023

- Total Loan Balance: **€35 bn**
- Number of loans: **342,508**
- WA Current LTV: **68%**
- WA indexed LTV: **60%**
- Duration: **64 months**
- Collateralisation: **70%** mortgages and **30%** guarantors

Rate type



Unindexed LTV as at January 2023



The economic and social resilience plan in France

Coping with the immediate economic impacts of the war in Ukraine

Support measures for households

- **Price cap on gas** since October 2021 for households
- **On electricity, price cap** in 2021 and price caps on increases at a maximum of **4% in 2022 and 15% in 2023** (estimated at c.120% otherwise)
- Exceptional **€100 to €200 energy voucher** for low-income households paid in December 2022 for 12M households
- **Fuel rebate of 15 cents per litre** for all households and companies in 2022

Support measures for companies

- Reinforcement of measures used during the COVID19 :
 - **State guaranteed loans** raised up to 35% of turnover
 - Possibility to **postpone taxes and social charges**
 - Extension of **part time work agreement** measures
- Similar measures on electricity prices **as for households**
 - For companies whose energy costs represent more than 3% of their turnover: the State will **cover half of the extra costs**
 - **Reduced taxation** on electricity
- **Targeted support for the sectors most exposed** to the rising costs of inputs such as agriculture, fishing, transport and the construction industry
- **Support for companies abroad** through subsidies (Chèque Export and Chèque VIE)

Contacts



<https://www.bfcm.creditmutuel.fr>



[Investor Relations Contact](#)

Investor Relations

Sandrine CAO-DAC VIOLA, *Head of Investor Relations*

sandrine.caodac@creditmutuel.fr