February 18, 2021
Press release

RESULTS FOR THE YEAR ENDED DECEMBER 31, 2020 [1]

Solid results & a significant second-half upturn: Credit Mutuel Alliance Fédérale is well placed for the recovery

Mutualism in evidence: solidarity, closeness to our customers and investment for the future

Crédit Mutuel Alliance Fédérale is anticipating a long-running crisis with uneven effects and major impacts on the economy and jobs, and its provisioning reflects these expectations. In 2020, the mutual bank stepped up its transformation with a focus on technological innovation and the omnichannel customer-focused local banking model.

As the bank for all, Crédit Mutuel Alliance Fédérale demonstrated the relevance and robustness of its mutual banking and insurance model, taking exceptional solidarity and assistance measures to support its personal, professional and business customers.

Thanks to the revised strategic plan introduced in summer 2020, Crédit Mutuel Alliance Fédérale is perfectly placed to win new customers and members and invest in the business insurance market.

	2020 [2]	Chg. 1 yr 2020 / 2019	2ND HALF 2020 [2]	Chg. H2 2020 / 2019
RESILIENT NET BANKING INCOME WITH A SHARP BOUNCEBACK IN THE SECOND HALF	**€14.238bn**	-2.3%	**€7.380bn**	+5.0%
of which retail banking	*€10.543bn*	*+0.1%*	*€5.352bn*	*+1.5%*
of which solidarity measures[3]	*€ (201m)*	*n/a*		
NBI excluding solidarity measures	*€14.439bn*	*- 0.9%*		
STRICT MANAGEMENT OF OPERATING EXPENSES ENHANCED INVESTMENTS IN PEOPLE AND TECHNOLOGY	**€8.867bn**	-0.8%	**€4.315bn**	-1.4%
INCREASE IN THE COST OF NON-PROVEN RISK IN EXPECTATION OF A LASTING CRISIS WITH UNEVEN EFFECTS	**€2.377bn**	x 2.2	**€1.331bn**	x 2.2
of which cost of proven risk	*€1.023bn*	*+8.2%*	*€466m*	*-8.3%*
of which cost of non-proven risk	*€1.354bn*	*x 11.7*	*€865m*	*x 9.5*
NET PROFIT IMPACTED BY THE HEALTH CRISIS	**€2.595bn**	-17.5%	**€1.738bn**	+14.6%

MOBILIZATION IN SOLIDARITY WITH OUR CUSTOMERS

Prime de Relance Mutualiste bonus payment	Government-backed loans	Support payments for students and apprentices
€179m	**€19.5bn**	**€4.8m**
25,400 businesses	**130,000 loans**	**32,000 students**

SALES PERFORMANCE HELPING OUR CUSTOMERS ACHIEVE THEIR GOALS

Home loans	Equipment loans	Consumer loans
€208bn	**€96bn**	**€42bn**
+7.5%	**+3.5%**	**+3%**

STRONGER FINANCIAL POSITION

CET1 ratio [4]	Leverage ratio [4]	Shareholders' equity
17.8%	**6.9%**	**€49.6bn**
+50bps	**+50bps**	**+ €2.5bn**

[1] The annual audit of the financial statements for the year ended 12/31/2020 is underway. [2] Results include the Crédit Mutuel Antilles-Guyane and Crédit Mutuel Massif Central federations. Full results on page 9. [3] Solidarity measures comprise the prime de relance mutualiste bonus payment, the contribution to the solidarity fund for microenterprises and SMEs and our mutualist support payments for students and apprentices. [4] Excluding transitional provisions.

In 2020, Crédit Mutuel Alliance Fédérale took exceptional action to support its customers and members

2020 was a testing year for both our personal customers and our business and professional customers. In a year punctuated by lockdowns, the customer-focused local mutual bank proved its relevance more than ever before.
Crédit Mutuel Alliance Fédérale demonstrated the full extent of its ability to act in a crisis, through the strength of its local networks, its technological capabilities and the performance of its business line subsidiaries.

Customer-focused local banking reinforced through dedicated advisors and omnichannel branches

The extraordinary coronavirus crisis has demonstrated more than ever the benefits of our local presence and our ability to take action as we help our personal, professional and business customers through this difficult time. Staff members in the Crédit Mutuel and CIC networks and in all the business line subsidiaries excelled in their ability to adapt their customer relationships and decision-making in response to the emergency situation.

In 2020, we were closer to our customers than ever, even when dealing with them remotely:

- 7 million appointments with banking customers across all communication channels (in local banks and branches, by telephone, by video call and by email)
- launch of video appointments via the remote banking apps and websites of Crédit Mutuel and CIC
- over 28,000 advisors mobilized in the networks
- 96% of local banks and branches stayed open throughout the first lockdown.

CLOSENESS TO CUSTOMERS

7 million appointments with our customers in 2020

Thanks to our decentralized mutual model, decision-making processes were adjusted and reinforced: loan authorization limits were increased to respond quickly and efficiently to the applications for government-backed loans.

ORGANIZATIONAL AGILITY

32,600

employees logged in remotely at the same time during the first lockdown, yet we still maintained the highest levels of security.

Another sign of agility: Crédit Mutuel Alliance Fédérale's outstanding technical capabilities enabled us to increase the maximum number of employees logging in securely from home to 50,000 at a time. A peak of 32,600 simultaneous logins was reached during the first lockdown.

More lending, closer to our to customers

Thanks to the extraordinary efforts of its staff members, Crédit Mutuel Alliance Fédérale was able to respond to increased demand from all our customers and members, in particular by increasing total outstanding loans by 9.1% to €419 billion at the end of December 2020.

Loans to our personal customers rose substantially:

- home loans rose 7.5% to €208 billion;
- everyday support for our customers led to a 3% rise in consumer loans.

Support for our business and professional customers, and for non-profits and farmers, was maintained nationwide:

- the government-backed loan scheme enabled us to provide €19.5 billion in support to over 130,000 businesses and professionals in just a few months;
- over €580 million was invested in regional SMEs and midcaps by Crédit Mutuel Equity.

At December 31,2020, Crédit Mutuel Alliance Fédérale's private equity subsidiary was supporting over 340 companies in a portfolio valued at €2.8 billion.

Resilience in our business model

Despite the crisis, the collective efforts by our staff and the efficiency of our customer-focused local banking model led to resilience in our net banking income (NBI). If the effects of solidarity measures are excluded, the Group's net banking income at December 31, 2020 [1] was very slightly down at €14.4 billion (-0.9%).

The effect of these mutualist solidarity actions reduced it to €14.238 billion, a fall of 2.3% year on year.
This €331 million drop was largely due to the €200.8 million cost of the solidarity measures, which were equal to 1.4% of Group NBI and 13.8% NBI for the insurance business.

Note the strong positive trend in second-half NBI, which came in at €7.4 billion, 5% up on the second half of 2019.

Looking at NBI by business line, we can see the strong resilience of retail banking, which generated stable net banking income of €10.5 billion (+0.1%) with a 1.5% rise in the second semester.

NBI from the insurance business fell 18% to €1.5 billion, mainly due to the accounting impact of the solidarity measures and the fall in the markets.

NET BANKING INCOME

Resilience in 2020	2nd half bounceback
€14.238bn	**€7.380bn**
-2.3%	**+5%**

STRICT MANAGEMENT OF OPERATING EXPENSES

-0.8% reflecting major investments in technology and people and the continued rise of supervisory and resolution costs

In the context of a decline in the total sum insured, Assurances du Crédit Mutuel continued to win market share in property and casualty, while premium income for unit-linked products was above-average for the life insurance market.

The Group also benefited from the strength of its specialized business lines, which generated €1.5 billion in net banking income, 10% of the total. Corporate banking largely held steady, with NBI down just 0.4%, while NBI from private banking (Banque Transatlantique, Banque de Luxembourg and CIC Suisse) increased by 9.5%.

The resilience of the business model in 2020 was visible in the strict management of general operating expenses, which fell 0.8% to €8.9 billion. This includes the effects of major investments in technology and in people as well as a substantial rise in supervision and resolution costs, which were up 26% year on year and have doubled in the last five years. The successful control of operating expenses is also due to the increased efforts to pool and share resources being made in connection with the 2019-2023 strategic plan - as well as the large-scale rollout of artificial intelligence (AI) and optical character recognition (OCR) which enabled 900 employees to be redeployed as front office staff.

+900 FTEs reassigned to customer advisory roles

thanks to productivity gains from AI and OCR

Crédit Mutuel Alliance Fédérale encompasses the following Crédit Mutuel federations: Centre Est Europe, Sud-Est, Ile-de-France, Savoie-Mont Blanc, Midi-Atlantique, Loire-Atlantique et Centre-Ouest, Centre, Normandie, Dauphiné-Vivarais, Méditerranéen, Anjou and, since January 1, 2020, the Antilles-Guyane and Massif Central federations. Crédit Mutuel Alliance Fédérale also encompasses Caisse Fédérale de Crédit Mutuel, Banque Fédérative du Crédit Mutuel (BFCM) and all its subsidiaries, in particular CIC, Euro-Information, Assurances du Crédit Mutuel (ACM), Targobank, Cofidis Group and Banque Européenne du Crédit Mutuel (BECM), Banque de Luxembourg, Banque Transatlantique and Homiris.

[1] Results include the Crédit Mutuel Antilles-Guyane and Crédit Mutuel Massif Central federations. Full result on page 9.

Building the future with clarity amid a lasting crisis with uneven effects

A stronger financial position to help protect savings

In an uncertain crisis situation with very uneven effects across large swathes of the economy, Crédit Mutuel Alliance Fédérale is anticipating a rise in future defaults by tightening its credit risk management policy and recognizing a substantial and material level of provisions for non-proven risks.

In accordance with IFRS9, Crédit Mutuel Alliance Fédérale raised the probability of its pessimistic scenario to 75 (versus 40 at December 31, 2019), while the neutral scenario falls to 24 (from 50) and the optimistic scenario is reduced to 1 (from 10).

- the cost of proven risk was €1.023 billion, a rise of 8.2%.
- the cost of non-proven risk went up to €1.354 billion, increasing by a multiple of 11.7 over one year.
- total cost of risk was €2.377 billion, 2.2 times the figure for 2019.

The massive increase in the cost of non-proven risk, in anticipation of a deteriorating economic situation, had a material impact on 2020 net profit, which fell 17.5% year on year to €2.595 billion.

At December 31, 2020, the Group's financial soundness was reflected in a very robust level of solvency with a Common Equity Tier 1 (CET1) ratio of 17.8%, a rise of 50 basis points over twelve months.

2020 saw record levels of asset inflows, with outstanding deposits rising by 21.4% to €408.9 billion. More than ever, this underlines the importance of the mutual bank's commitment to protecting the savings of customers and members.

6.7 million documents signed electronically in 2020, up 23% on the previous year

INCREASED PROVISIONING FOR NON-PROVEN RISKS:

€1.354bn

(x11.7 in 2020)

- Strengthening of pessimistic scenario for performing loans
- Anticipation of defaults in vulnerable sectors: hotels, restaurants, tourism and seasonal businesses (airlines, vehicle hire) and specialist distribution (automotive; industrial transport; aviation subcontractors).
- Additional haircut for aircraft (loss of asset value)

Financial soundness in the banking profession is now more crucial than ever in building the future. This is why Crédit Mutuel Alliance Fédérale has made it one of the four priorities of its revised strategic plan *ensemble#nouveaumonde, plus vite, plus loin!*.

Sustained pace of investment to step up our transformation

In 2020, Crédit Mutuel Alliance Fédérale reiterated its transformation goals by keeping up a sustained pace of long-term technology investments.

The health crisis accelerated behavioral change by substantially driving up the use of remote technologies.

To respond to this change, Crédit Mutuel Alliance Fédérale drew on the in-house technological expertise of its subsidiary Euro-Information:

- increased use of remote banking: 4.3 million customers checked their accounts and made transactions online via the internet or our banks' mobile apps (+11%);
- remote banking became fundamental to current account transactions with a total of 2 billion connections over the course of the year, another substantial rise (+12.6%);
- a record 6.7 million documents were signed electronically (+23%).

In 2020, Project Plato saw artificial intelligence deployed for compliance and anti-money laundering purposes and to facilitate checks by the local networks. For instance, Plato enabled screening in relation to anti-money laundering alerts to be improved by 30%. Further innovative solutions will be brought on stream in 2021.

Lastly, Crédit Mutuel Alliance Fédérale made further investments in a dedicated private cloud hosted in France, as well as in new French-based data centers designed to meet the highest environmental and security standards. These investments are also in line with Crédit Mutuel Alliance Fédérale's stated mission of using technology and innovation to serve people and prioritizing the protection of its customers' data.

Stepping up the multiservice strategy

In 2020, Crédit Mutuel Alliance Fédérale stepped up its multiservice strategy, which bore fruit in the continued rise of its insurance portfolios in the auto (+2.1%), home (+3.2%), personal health (+1.9%) and provident (+1%) segments. The insurance business had a total of 34.7 million policies (+2.3%).

2021 will be a big year for the "Multi-pro" insurance offering for professionals, which was launched in the fourth quarter of 2020 across the whole of the Crédit Mutuel and CIC networks.

The remote surveillance services offered by Homiris have now been taken up by 508,000 customers, a net rise of 17,000 active contracts.

STRONG PERFORMANCE FROM THE MULTISERVICE STRATEGY

Insurance	**34.7m policies**	**+2.3%**
of which auto	3.21m	+2.1%
of which home	2.94m	+3.2%
Phone & broadband	**2.3m subscribers**	**+195,000**
Remote surveillance	**508,000 subscribers**	**+17,000**

26.7m Customers +1.5%

Mobile phone services remain central to Crédit Mutuel Alliance Fédérale's diversification strategy. In 2020 we reached a total of 2.3 million subscribers, an increase of 195,000 contracts. On December 31, 2020, in connection with the disposal of EIT, we sealed a long-term partnership agreement with Bouygues Telecom which will enable us to maintain and expand the telecom services on offer to personal, non-profit, business and professional customers through the Crédit Mutuel and CIC banking networks.

Starting in 2021, Crédit Mutuel Alliance Fédérale will enhance its service offering with the launch of the Service Kiosk, a secure marketplace where customers can sign up to special product offers from trusted commercial partners.

A committed mutual bank in solidarity with customers, staff members and society

The mutualist values of responsibility and solidarity took on their full meaning in this unprecedented time Crédit Mutuel Alliance Fédérale showed proof of its commitment to its staff members, its customers and society at large.

Measures to match the commitment of our employees

The commitment and the exceptional efforts of our employees, including during the strict lockdown period, were vital to supporting our customers and members and for safeguarding jobs and the economy across the country.

In honor of these efforts, Crédit Mutuel Alliance Fédérale[1] decided to award its employees the exceptional purchasing power bonus, which we call the *Prime de mobilisation exceptionnelle*, at the maximum amount of €2,000 set by the government.

Thanks to excellent staff dialogue and strong relations between the business and its employees, the annual salary negotiations[1] yielded a general pay raise of 0.5% (capped at €185 per year) and a 1.5% budget for individual pay increases.

Lastly a Quality of Life at Work agreement[1] was signed with all our trade unions, which in particular set down the terms for implementing remote working.

In 2020, Crédit Mutuel Alliance Fédérale's human resources policy was honored by five key awards: Crédit Mutuel and CIC were the winners of the Best Employer Prize in the Banking sector, awarded by Statista and Capital, while Targobank was certified as a "Top Employer 2021" in Germany. In early 2021, Cofidis and Monabanq were given "Great Place to Work" status in recognition of the quality of the working environment in the two organizations.

Exceptional mutualist aid put in place for the customers suffering most in the crisis

In this difficult time, our mutualist values came to the fore to help the people and industries who were worst affected by the health crisis.

For tradespeople, retailers, businesses and professionals
Starting in April 2020, Crédit Mutuel and CIC policyholders who had taken out the most extensive cover received the prime de relance mutualiste, a lump-sum bonus to help them through the strict lockdown.
This non-contractual solidarity measure benefited over 25,400 businesses and professionals who suffered a sudden drop in revenues during the first lockdown. In total, €179 million in aid was granted, in addition to government assistance.

SOLIDARITY MEASURES

201 million

Amount of unilateral solidarity measures granted in 2020

- **€179m** : Prime de relance mutualiste
- **€17m** : Solidarity fund contribution
- **€4.8m** : Mutualist aid for students

For vulnerable people
As a study carried out by the Centre d'Analyse Économique in partnership with Crédit Mutuel Alliance Fédérale showed in September 2020, low-income households have been especially hard hit financially by the coronavirus crisis. Financially vulnerable customers with the specially designed *Facil'Accès* or *Service Accueil* accounts at Crédit Mutuel and CIC have had all rejected payment fees waived since March 2020. This measure, which is intended to help people on the lowest incomes whose financial position is often precarious, represented an average saving of €7 per month.

For students and apprentices
With the loss of student jobs, the suspension of paid internships and unexpected extra costs, many students and apprentices found themselves substantially worse off thanks to the COVID-19 crisis.

[1] Crédit Mutuel and CIC single employment status group.

To help them through this period, Crédit Mutuel took immediate concrete steps by paying a "mutualist support payment" of €150 and granting a six-month interest-free extension to the grace period, with no extra fees, for everyone whose student loan was due to enter the repayment phase. Through this support measure, €4.8 million was granted to more than 32,000 students and apprentices.

For clubs and culture

As a regular partner of amateur sports and music, Crédit Mutuel Alliance Fédérale supported clubs and culture in 2020 by maintaining its sponsorship grants despite the cancellations of festivals and sports events. To help organizations stay on course, the vast majority of partnership arrangements have also been renewed in 2021.

Lastly, the Pay Asso solution, which in particular makes it easier for clubs and associations to manage member rosters and membership fees, was made available without charge to all non-profits in the second half of 2020.

Crédit Mutuel Alliance Fédérale, a leader in the decarbonization of the economy

Fully in line with the announcements made in 2020 - namely the plan to exit coal by 2030, the ending of finance for unconventional oil & gas projects, and the targeted 15% cut in the carbon footprint of the corporate lending and investment portfolios - Crédit Mutuel Alliance Fédérale made the decision to set specific rules for financing the banking and financial transactions of the transport industry. The aim is to support the funding of the energy transition for transportation and more specifically for the air, sea and road sector.

Meanwhile, Crédit Mutuel Asset Management was rewarded for the major actions it took in 2020, obtaining an A+ rating for its commitment to sustainable and responsible finance. Thanks to these efforts, the new range of SRI, GreenFin and ESG certified funds had assets under management of €2.5 billion at the year-end. Crédit Mutuel Alliance Fédérale's asset management subsidiary is determined to move the whole of its investment management onto a sustainable and responsible finance basis with a specific methodology.

2020 also saw the first green bond issue by Banque Fédérative du Crédit Mutuel (BFCM), which was a big success with bond investors.

These decisions form part of the long-term strategy pursued by Crédit Mutuel Alliance Fédérale and its desire to underpin its overall performance with specific commitments driven by its motto "Together, listening and acting" and by the "mission-driven company" status it obtained in 2020.

SECTOR POLICIES

2020: "Zero coal" policy and ending of finance for unconventional oil & gas projects

2021: "Mobility" policy to support the energy transition in the transport industry

Contents

1. Consolidated results

Financial results

(€ millions)	2020	2019	Change	Change at constant scope [2]
Net banking income	**14,238**	**14,569**	**-2.3%**	**-3.2%**
General operating expenses including:	*(8,867)*	*(8,942)*	*-0.8%*	*-1.8%*
contribution to Single Resolution Fund and supervisory costs	*(270)*	*(212)*	*+27.0 %*	*+26.5%*
Gross operating income	**5,371**	**5,627**	**-4.5%**	**-5.4%**
Net additions to/reversals from provisions for loan losses	(2,377)	(1,061)	+124.0%	x 2.2
cost of proven risk	*(1,023)*	*(945)*	*+8.2%*	*+7.6%*
cost of non-proven risk	*(1,354)*	*(116)*	*x 11.7*	*x 11.7*
Operating profit/(loss)	**2,994**	**4,566**	**-34.4%**	**-35.2%**
Net gains/(losses) on other assets and ECC [1]	570	86	n.s.	n.s.
Profit/(loss) before tax	**3,563**	**4,652**	**-23.4%**	**-24.2%**
Income tax	(968)	(1,507)	-35.8%	-36.2%
Net profit/(loss)	**2,595**	**3,145**	**-17.5%**	**-18.4%**
Non-controlling interests	306	313	-2.2%	-2.2%
Net profit/(loss) attributable to the group	**2,289**	**2,832**	**-19.2%**	**-20.2%**

1 ECC = equity consolidated companies = share of net profit/(loss) of equity consolidated companies.
2 Excludes entities consolidated for the first time in 2020: Crédit Mutuel Antilles Guyane, Crédit Mutuel Massif Central, CIC Capital Suisse SA, CIC Capital Canada Inc, CIC Capital Ventures Quebec and CIC Capital Deutschland GmbH.

Net banking income

In 2020, Crédit Mutuel Alliance Fédérale achieved net banking income of €14.238 billion, down 2.3% year on year.

Except in retail banking (+0.1%) and private banking (+9.5%), the global health and economic crisis had a severe impact on the Crédit Mutuel Alliance Fédérale's earnings.

Net banking income from operating activities

(€ millions)	2020	2019	Change	Change at constant scope
Retail banking	10,543	10,537	+0.1%	-1.1%
branch networks	*8,585*	*8,631*	*-0.5%*	*-1.9%*
specialized subsidiaries	*1,958*	*1,906*	*+2.7%*	*+2.7%*
Insurance	1,457	1,778	-18.0%	-18.0%
Specialized business lines	1,517	1,557	-2.6%	-2.6%
Private banking	626	572	+9.5%	+9.5%
Corporate banking	381	383	-0.5%	-0.5%
Capital markets	319	337	-5.4%	-5.4%
Private equity	190	265	-28.2%	-34.1%
IT, logistics and media	1,812	1,806	+0.3%	+0.3%

Despite pressure on the interest margin from low interest rates, net banking income from retail banking rose 0.1% year on year in 2020 to reach €10.543 billion, thanks to sustained levels of fee income (+0.8%). Retail banking represented the largest share (69%) of income from operating activities.

Increased support for insurance customers, especially through significant non-contractual measures such as the prime de relance mutualiste bonus payment, as well as the fall in interest rates and volatility in the markets, caused net insurance income to fall 18% to €1.457 billion.

After a very busy year in terms of both asset inflows and asset management, net banking income for private banking was up 9.5% to €626 million.

Good revenue levels, particularly on structured lending, enabled corporate banking to maintain a steady level of net banking income (-0.5%) of €381 million in 2020.

Despite substantial growth in commercial activity, net banking income for capital markets fell 5.4% to €319 million in 2020, this fall being due to non-recurring capital gains recorded in 2019. This figure is net of €81 million in fees paid to other group entities, which thus rose 7%.

Although the private equity business saw a good level of investments and disposals in 2020, its net banking income of €190 million was down by 34.1%. It was affected by the fall in the valuations of some of its portfolio companies, which are valued at fair value through profit or loss.

General operating expenses and gross operating income

General operating expenses were €8.867 billion, down 1.8% relative to 2019. This total included the effects of contributions to the Single Resolution Fund and supervisory costs [1], which rose 26.5% from €212 million in 2019 to €270 million in 2020.

The overall cost/income ratio was 62.3%. Retail banking kept a tight rein on operating expenses (-3%) in the face of falling revenues. As a result, its cost/income ratio improved by 120 basis points to 61.5%.

Gross operating income contracted by 5.4% year on year, to €5.371 billion.

[1] Contribution to the ECB's Single Resolution Fund (SRF), contribution to the French Deposit Guarantee Fund, ECB audit expenses, Support Fund for Regional Municipalities, contribution to ACPR audit expenses, administration fees in relation to the ECB's Single Resolution Board, AMF contribution.

Net additions to/reversals from provisions for loan losses and operating profit

Net additions to provisions for loan losses were €2.377 billion in 2020, i.e. more than twice the amount in 2019 (€1.061 billion).

Provisioning on performing loans (cost of non-proven risk - stages 1&2) increased from €116 million in 2019 to €1.354 billion in 2020. This explains the majority year-on-year rise in the total provisioning. The increase reflects a prudent provisioning policy and anticipates a future aggravation of risk. In practice, this means that provisioning rates have been adjusted in line with the general circumstances, with lump-sum increases in relation to the weakest-looking sectors of the economy.

Given the uncertainty as to how the health situation will develop, and in order to take account of the more lasting effects on the economy, Crédit Mutuel Alliance Fédérale maintained and enhanced the extra provisioning recorded in the interim accounts.

- For performing loans (S1 and S2), the scenario weightings set in the first half-year were maintained. These weightings support the pessimistic scenario (75% in 2020 compared to 40% in 2019) and override the optimistic scenario (1% in 2020 compared to 10% in 2019).
The neutral scenario thus moves to 24% in 2020, compared to 50% in 2019.
- In extension of the measures taken in the first half of the year, sectoral provisions were recognized in relation to the vulnerable sectors of the economy. A total of €821 million in provisions were thus made in respect of nine business sectors representing a net exposure at default, net of state-guaranteed loans, of €10.8 billion and classed as S2 under IFRS9.

Vulnerable	Provision rate (applied to net exposure at default)	
	Large accounts	Retail banking
A	10.50%	14%
B	7.50%	10%
C	4.50%	6%

A: Hotels and restaurants
B: Tourism and seasonal businesses; airlines; vehicle hire
C: Specialist distribution; automotive industry; industrial transport; aerospace suppliers

This exposure (net of government-backed loans) represents around 2% of our total customer exposure.

The cost of proven risk (stage 3) rose €78 million. This reflects the good asset quality of a diversified loan portfolio, the bulk of which is made up of home loans (50%) and capex and operating loans for businesses (39%).

The non-performing loan ratio went down year on year to 2.9%, from 3.1% at the end of 2019, while the coverage ratio was 52.1%.

Expressed as a percentage of total loans outstanding, the cost of risk for customer loans was 47 basis points at the end of 2020, compared to 27 in 2019.

(€ millions)	12/31/2020	12/31/2019
Customer loans	419,413	384,535
Gross amount of outstanding customer loans	429,024	392,979
Gross non-performing loans	12,497	12,079
Provisions for loan losses	9,611	8,444
including: provisions for losses on non-performing loans (Stage 3)	6,509	6,471
including: provisions for losses on performing loans (Stage 1&2)	3,102	1,973
Non-performing loans as a % of gross loans	2.91%	3.07%

Profit/(loss) before tax

Profit before tax was €3.563 billion, down 24.2% year on year.

It was affected adversely by the large rise in provisions for loan losses and favorably by the gain on the disposal of the mobile phone subsidiary Euro-Information Telecom, which is recognized in the income statement under "Net gains/(losses) on other assets and ECC."

Net profit/(loss)

Net profit for 2020 was €2.595 billion, compared with €3.145 billion in 2019 (-18.4%)
The fall is a reflection of the ongoing crisis, which is affecting revenues, and in particular the fact that the Covid-19 pandemic has created a high level of uncertainly about risk, leading to a prudent increase in the provisioning on performing loans.

Financial structure

Liquidity and refinancing [1]

Crédit Mutuel Alliance Fédérale's central treasury management is based on prudent rules and an effective system for accessing market funding.

Crédit Mutuel Alliance Fédérale has a variety of issue programs that allow it to access investors in the main international markets via public and private issues. In addition to these arrangements, the group holds a comfortable cash reserve designed both to comply with regulatory ratios and to enable it to withstand severe stresses.

Aside from a short period of contraction in mid-March, before large-scale support measures were brought in by governments and central banks, the market was largely favorable to issuers with access to liquidity available on very attractive terms.

Banque Fédérative du Crédit Mutuel (BFCM) was able to profit from these circumstances via all of its issue programs. In total, external funding obtained in the markets stood at €147 billion at the end of December 2020, representing an increase of 2.4% compared to 2019.

The average LCR in 2020 was 165.2% (vs. 142.8% in 2019).

The liquidity reserve (€189.1 billion) covers the vast majority of market funding due over 12 months.

Financial structure and solvency

At December 31, 2020, the shareholders' equity of Crédit Mutuel Alliance Fédérale stood at €49.6 billion, compared with €47.1 billion at the end of 2019, the €2.5 billion increase being driven by retained earnings.

At the end of December 2020, Crédit Mutuel Alliance Fédérale exhibited a very robust level of solvency with a Common Equity Tier 1 (CET1) ratio of 17.8% [2] a rise of 50 basis points over twelve months. The Tier 1 ratio at the end of December 2020 was 17.8% and the overall solvency ratio was 20.8%.[2]

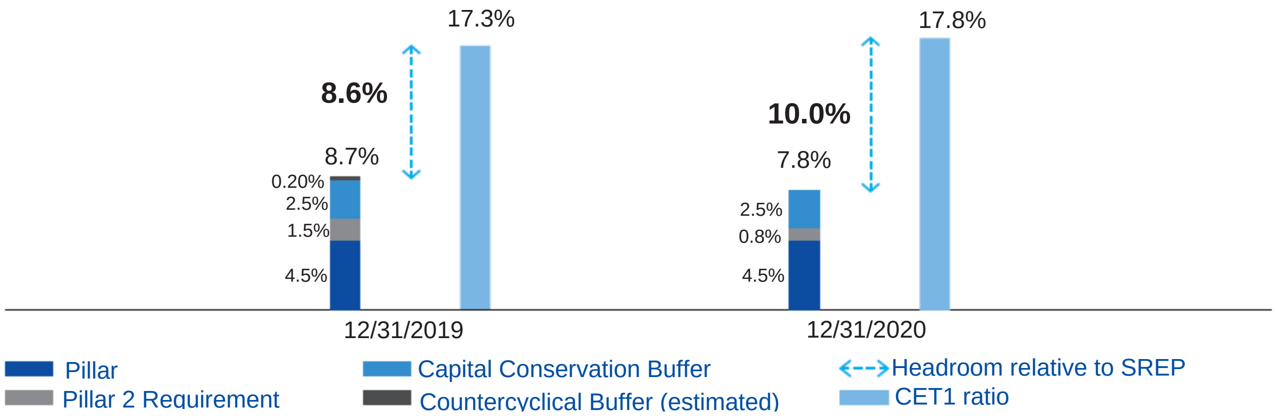
CET1 capital was €41.7 billion, having risen 6.9% due to the retention of the annual profit and issues of new shares.

[1] For more details, see the appendix to this press release, page 31.
[2] Excluding transitional provisions.

Risk-weighted assets (RWA) stood at €233.8 billion at December 31, 2020, 3.6% up on December 31, 2019 (€225.7 billion).
At €209.9 billion, credit risk-weighted assets represented 90% of the total.

The Group's substantial capital generation, driven by the retention of virtually all of its annual profit, has enabled it to withstand regulatory pressure and increase its headroom with respect to the requirements of the SREP (*Supervisory Review and Evaluation Process)* for a number of years.

CET1 requirements under the SREP and gap to actual (%)



[1] After taking account of the reduction in capital requirements announced by the ECB on March 12, 2020.
[2] Note that the *Additional Tier1 (AT1)* requirements under Pillar 1 and the Pillar 2 *requirement (*P2R) are essentially satisfied by Core Equity Tier1 (CET1).
[3] Excluding *Pillar 2 Guidance Requirement*, non-public.

The **leverage ratio** [1] was 6.9% at December 31, 2020 (6.4% at the end of December 2019), after the exclusion of central bank exposures as permitted by the ECB at the end of 2020.

[1] Excluding transitional provisions

Ratings

The three rating agencies that issue ratings for Crédit Mutuel Alliance Fédérale and the Crédit Mutuel group all recognize their financial stability and the validity of the business model:

	LT/ST Counterparty**	Issuer/LT preferred senior debt	Outlook	ST preferred senior debt	Stand-alone rating***	Date of last publication
Standard & Poor's	A+/A-1	A	Negative	A-1	a	11/17/2020
Moody's	Aa2/P-1	Aa3	Stable	P-1	a3	11/18/2020
Fitch Ratings *	AA-	AA-	Negative	F1+	a+	12/15/2020

* The Issuer Default Rating remains at A+.
** The counterparty ratings correspond to the ratings of the following agencies: Resolution Counterparty for Standard & Poor's, Counterparty Risk Rating for Moody's and Derivative Counterparty Rating for Fitch.
*** The stand-alone rating is the Stand Alone Credit Profile (SACP) for Standard & Poor's, the Adjusted Baseline Credit Assessment (Adj. BCA) for Moody's and the Viability Rating for Fitch.
Standard & Poor's: Crédit Mutuel Group rating.
Moody's: Crédit Mutuel Alliance Fédérale/BFCM and CIC ratings.
Fitch Ratings: Crédit Mutuel Alliance Fédérale rating.

In November and December 2020, the three main agencies published full analyses of Crédit Mutuel Alliance Fédérale (Fitch and Moody's) and the Crédit Mutuel Group (Standard & Poor's).
The analyses underscored the resilience of their fundamentals, confirming the ratings that were in place.

As a reminder, the negative outlooks issued by Fitch and Standard & Poor's in March and April 2020 were attributed to the development of the pandemic and resulted from general ratings revisions applied to European banks. Moody's, however, retained an unchanged outlook.

Moreover, on March 30, 2020 Fitch raised the ratings for long-term (LT) and short-term (CT) senior preferred debt by one notch from A+/F1 to AA-/F1+ and also raised the Derivative Counterparty rating from A+ to AA-, on the basis that Crédit Mutuel Alliance Fédérale is likely to meet its MREL (Minimum Requirement for Own Funds and Eligible Liabilities) requirement without recourse to senior preferred debt over the next 3-5 years.
This upgrading resulted from a change in the agency's methodology. The key Issuer Default Rating remains unchanged at A+.

The audit of the financial statements for the year ended 12/31/2020 is being conducted by the statutory auditors.

The Board of Directors met on February 17, 2021 to approve the financial statements.

All financial communications are available at www.bfcm.creditmutuel.fr *and are published by Crédit Mutuel Alliance Fédérale in accordance with the provisions of Article L. 451-1-2 of the French Monetary and Financial Code and Articles 222-1 et seq. of the General Regulation of the French Financial Markets Authority (Autorité des marchés financiers - AMF).*

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Crédit Mutuel Alliance Fédérale

Key figures [1]

€ millions	12/31/2020	12/31/2019
Financial structure and activity		
Total assets	795,978	718,519
Shareholders' equity (including net profit for the year before dividend pay-outs)	49,576	47,146
Customer loans	419,413	384,535
Total savings	730,472	637,969
of which customer deposits	*408,901*	*336,806*
of which insurance-based savings	*98,988*	*99,237*
of which investment savings (managed and in custody)	*222,582*	*201,926*
Key figures		
Employees, year-end (group-controlled entities)	71,994	71,825
Number of branches	4,313	4,332
Number of customers (in millions)	26.7	26.3
Key ratios		
Cost/income ratio	62.3%	61.4%
Net provisioning as a proportion of outstanding loans	47bps	27bps
Net profit / regulatory assets	1.1%	1.4%
Loan to deposit ratio	102.6%	114.2%
Leverage ratio (delegated act - excluding transitional provisions)	6.9%	6.4%
CET1 ratio (excluding transitional provisions)	17.8%	17.3%

€ millions	2020	2019
Results		
Net banking income	**14,238**	**14,569**
General operating expenses	(8,867)	(8,942)
Gross operating income	**5,371**	**5,627**
Net additions to/reversals from provisions for loan losses	(2,377)	(1,061)
Operating profit/(loss)	**2,994**	**4,566**
Net gains/(losses) on other assets and equity consolidated companies	570	86
Profit/(loss) before tax	**3,563**	**4,652**
Income tax	(968)	(1,507)
Net profit/(loss)	**2,595**	**3,145**
Non-controlling interests	306	313
Net profit/(loss) attributable to the group	**2,289**	**2,832**

[1] Consolidated figures for the local banks of Crédit Mutuel Centre Est Europe, Sud-Est, Île-de-France, Savoie-Mont Blanc, Midi-Atlantique, Loire-Atlantique et Centre-Ouest, Centre, Normandie, Dauphiné-Vivarais, Méditerranéen, Anjou, Antilles-Guyane, Massif Central, their common federal savings bank Banque Fédérative du Crédit Mutuel (BFCM), and all its subsidiaries, including CIC, Euro-Information, Assurances du Crédit Mutuel (ACM), Targobank, Cofidis Group and Banque Européenne du Crédit Mutuel (BECM). Figures not approved by the boards.

Crédit Mutuel
Alliance Fédérale

Crédit Mutuel Alliance Fédérale's business lines and main subsidiaries

Crédit Mutuel Alliance Fédérale

Operational business lines' contributions [1] to 2020 net profit

Retail banking
Banking & insurance networks

- Regulatory scope (mutual sector)
  - Caisse Fédérale de Crédit Mutuel
  - 1,401 Crédit Mutuel local banks
- CIC
  - Île-de-France
  - Regional banks
- Targobank Germany
- Targobank Spain
- Banque Européenne du Crédit Mutuel

56%

Business subsidiaries

- Cofidis Group
- Crédit Mutuel Factoring / Factofrance
- Crédit Mutuel Real Estate Lease
- Crédit Mutuel Asset Management
- Crédit Mutuel Épargne Salariale
- Crédit Mutuel Home Loan SFH
- Floa Bank
- Crédit Mutuel Leasing / CCLS
- Targo Factoring / Targo Leasing
- Crédit Mutuel Investment Managers
- Crédit Mutuel Immobilier

Insurance

- Groupe des Assurances du Crédit Mutuel

24%

Specialized business lines

15%

Private banking

- Banque de Luxembourg
- Banque Transatlantique France, Luxembourg, Belgium, London
- Banque CIC (Suisse)

Corporate banking

- CIC Corporate
- CIC Structured
- CIC international activities & foreign branches

Capital markets

- CIC Marches
- CIC Market Solutions

Private equity

- Crédit Mutuel Equity
- CIC Capital Canada, Suisse, Deutschland, Ventures Quebec

Other activities:
IT, logistics and media

- Euro Information
- Euro Protection Surveillance (Homiris)
- CCS (Advice and Service Center)
- Crédit Mutuel Titres
- LYF PAY (percentage held: 49%)
- Media

5%

1 Excludes Group holding companies and gain on disposal of El Telecom.

2. Retail banking

(€ millions)	2020	2019	Change	Change at const. scope [2]
Net banking income	**10,543**	**10,537**	**+0.1%**	**-1.1%**
General operating expenses	(6,487)	(6,607)	-1.8%	-3.0%
Gross operating income	**4,056**	**3,929**	**+3.2%**	**+2.2%**
Net additions to/reversals from provisions for loan	(2,070)	(913)	x 2.3	x 2.3
cost of proven risk	*(907)*	*(813)*	*+11.6%*	*+11.0%*
cost of non-proven risk	*(1,163)*	*(100)*	*x 11.6*	*x 11.5*
Operating profit	**1,986**	**3,016**	**-34.2%**	**-35.2%**
Net gains/(losses) on other assets and ECC [1]	(2)	(4)	-53.4%	-50.3%
Profit/(loss) before tax	**1,984**	**3,012**	**-34.1%**	**-35.1%**
Income tax	(718)	(1,042)	-31.0%	-31.7%
Net profit/(loss)	**1,266**	**1,971**	**-35.8%**	**-36.9%**

[1] ECC = equity consolidated companies = share of net profit/(loss) of equity consolidated companies.
[2] Excludes entities consolidated for the first time in 2020: Crédit Mutuel Antilles Guyane and Crédit Mutuel Massif Central.

This business line encompasses the local banks of the 13 Crédit Mutuel federations, the CIC network, Banque Européenne du Crédit Mutuel, Targobank in Germany and Spain, Cofidis Group, Floa Bank and all the specialized businesses whose products are marketed by the branch networks: equipment leasing and hire purchase, real estate leasing, factoring, asset management, employee savings and real estate sales.

As with the Group as a whole, and despite the resilience of its revenues (-1.1%), the net profit from retail banking was affected by the substantial rise of €1.157 billion in provisioning for loan losses, of which €94 million related to proven risk and €1.063 billion to non-proven risk.

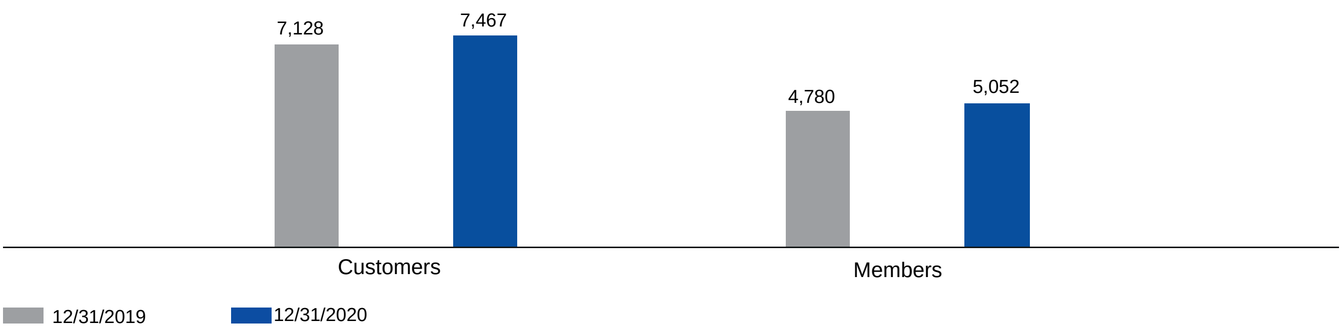
2.1 Branch networks

2.1.1 Crédit Mutuel banking and insurance network

At the end of 2020, the **number of customers** in the Crédit Mutuel banking and insurance network stood at 7.5 million. Of the total, 263,000 belong to the Crédit Mutuel Antilles-Guyane and Crédit Mutuel Massif Central federations, which were consolidated for the first time with effect from January 1, 2020.

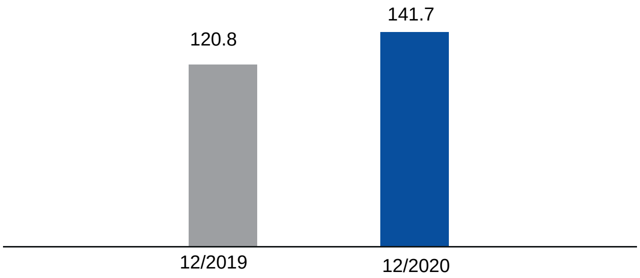
Number of customers and members
in thousands

Crédit Mutuel banking and insurance network

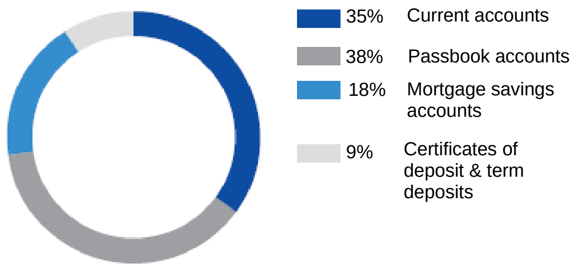


Customer **deposits** rose sharply by 17.4% year on year to €141.7 billion, an increase of €21 billion. The growth in current account credit balances (+33%) and passbook accounts (+15%) illustrates how customers have sought out short-term investments in which to keep part of their unspent income.

Crédit Mutuel Network
outstanding customer
deposits € billions



Structure of customer deposits
at December 31, 2020

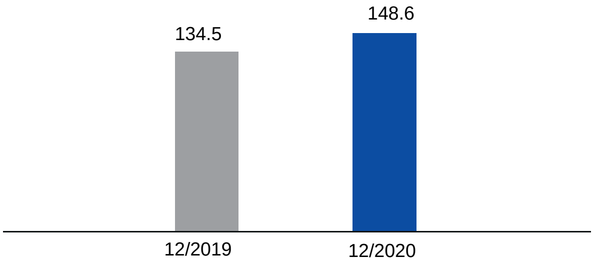


In the wake of the growth in available deposits, investment savings also saw tangible growth, rising 6.6% to €16.4 billion; life insurance savings rose 2.3% amid reduced yields.

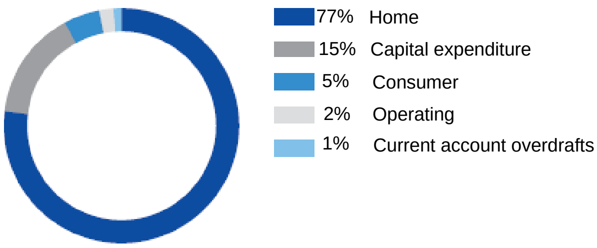
Overall, **savings** invested by customers of the Crédit Mutuel branch banking network were up 13% at €199.4 billion.

Outstanding **loans** increased by +10.5% to reach €148.6 billion at the end of December 2020. These include €3.3 billion in business for the two new member federations as well as €3.3 billion of government-backed "PGE" loans (prêts garantis par l'Etat). If changes in the scope of consolidation are excluded, the rise is 8.1%, driven by home loans (+7.8%) and PGEs.

Crédit Mutuel Network
outstanding customer loans
€ billions



Structure of loans
at December 31, 2020



The multiservice strategy is reflected in the rising levels of products sold to customers:

- property and health & provident insurance policies (excluding life assurance) reached 10.7 million, a rise of 2.9% over the previous year;
- mobile phone contracts rose by 2.6% (846,000 contracts);
- the number of remote home surveillance contracts grew 1.9% to pass the 173,000 mark.

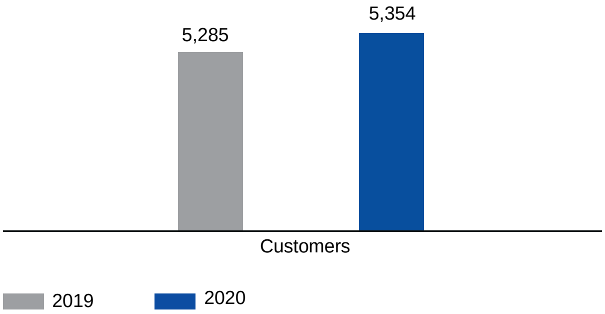
2.1.2 CIC banking and insurance network

All figures shown are pro forma, i.e. including CIC Iberbanco[1] in 2019 and 2020.

The branch network had 5.354 million **customers** at the end of December 2020. The overall rise of 1.3% was particularly evident in the business and professional market (+3.8%).

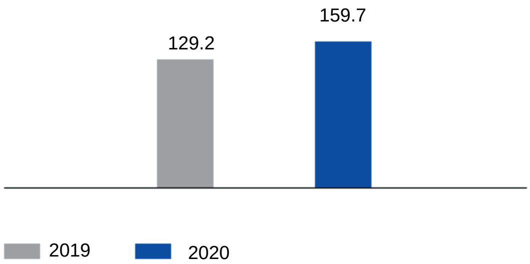
Number of customers
in thousands

CIC banking and insurance network

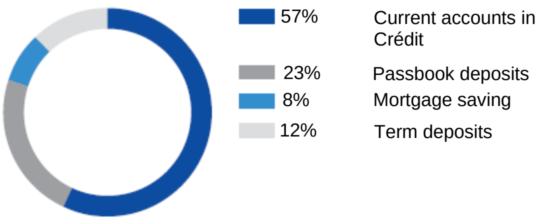


Outstanding **deposits** rose sharply by 23.6%. The increase is especially visible in current account credit balances (+€24 billion). Current accounts accounted for 57% of deposits compared with 51% in 2019.

CIC network
outstanding customer deposits
(€ billions)



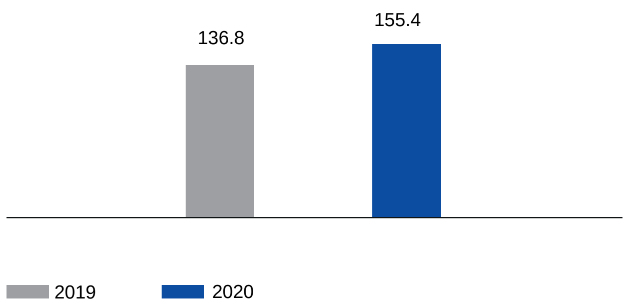
Structure of customer deposits
at December 31, 2020



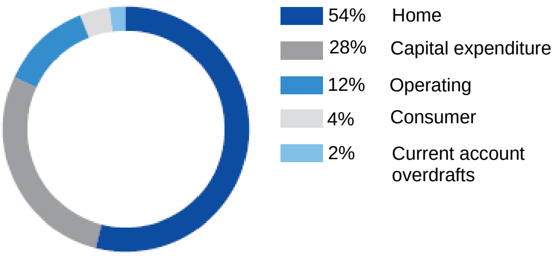
Outstanding **loans** increased by 13,6%, reflecting healthy levels of business in home loans (+6.3%) and capital expenditure loans (+5.3%). The total outstanding at the end of December 2020 includes €12.6 billion of government-backed loans ("PGE" loans).

[1] The CIC Iberbanco branches became part of the CIC Paris network at the end of 2020.

CIC network
outstanding customer
loans (€ billions)



Structure of customer loans
at December 31, 2020



2.1.3 Banque Européenne du Crédit Mutuel (BECM)

BECM is the Crédit Mutuel Alliance Fédérale subsidiary that serves regional economies and the market for business and real estate companies. It offers specialized assistance for German businesses operating in France and the German subsidiaries of French companies. BECM's strength lies in its detailed knowledge of local markets. In the real estate market, it acts as a partner to real estate developers and property companies.

With 431 staff members, BECM helps its 20,206 customers meet all their domestic and cross-border needs via a network of 55 branches in France and a subsidiary in Monaco. The opening in 2020 of a branch in Clermont-Ferrand added to the Crédit Mutuel presence in the region covered by Crédit Mutuel Massif Central.

Measured in terms of monthly average capital, loans to customers rose by 9.7% to reach €18 billion by the end of 2020, of which €1.1 billion related to government-backed loans. Deposits rose sharply by 17% to reach €19.8 billion. The health crisis has led to a rapid acceleration in capital growth and bolstered the liquidity position.

Net banking income declined by 5.2% to €306 million.

2.1.4 TARGOBANK Germany

In 2020, the bank's range of complementary distribution channels enabled it to continue serving its 3.7 million customers throughout Germany's two lockdown periods. The bank's branch network adjusted its processes to provide assistance to customers by phone. Remote sales channels, which were up by 33% relative to 2019, also helped to absorb the shock caused by the closure of the branches during the first lockdown.

This enabled the bank to increase its share of the market for repayment loans to 11.6% over the year, a 13% rise relative to 2019. Outstanding loans grew by 4% to €20.8 billion. Customer deposits were €21.3 billion at the end of 2020, a rise of 13%.

Targobank is committed to managing its carbon footprint, a commitment manifested in the use of green electricity to power its 337 branches and central operating sites. In terms of customer relations, the bank was again honored for its quality of service. In the Deutschlands Kundenchampions survey, it was ranked in the top 3 in the banking category by the F.A.Z. Institut and consultancy firm 2HMforum and earned a Best Customer Service certificate. Its excellent management of the health crisis and rapid provision of support for struggling customers were also rewarded when it was honored as the best branch-based bank for customer satisfaction in the Kundenmonitor survey.

2.2 Business line subsidiaries

These comprise the specialized subsidiaries that market their products through their own channels and/or through the local mutual banks and branches of Crédit Mutuel Alliance Fédérale: factoring and receivables management, leasing, fund management and employee savings and real estate.

2.2.1 Cofidis Group

In business terms, Cofidis Group successfully maintained a strong presence in the consumer credit market in 2020 with new business of €6.7 billion, a fall of just 10% relative to 2019. Outstanding loans went up to €15.234 billion, up 1.6% versus the end of 2019. Cofidis Group gained market share while continuing to serve its customers in difficult economic circumstances. Cofidis' diversified business model stood firm in all nine of the countries in which the group operates, confirming its robustness.

In development terms, Cofidis Group maintained its e-business partnerships, in particular by extending its contract with Amazon until 2023. It also rolled out its diversification strategy in subsidiaries and enhanced synergies with Crédit Mutuel Alliance Fédérale. Despite the public health issues, the group kept to the goals set in its Experience First plan in 2019, namely: service innovation in customer and business partner relations, and leadership that focuses on people in order to experience the exceptional and allow others to do the same. Following the launch of the #Like CSR program in 2019, which aimed to strengthen social commitments and work toward greater inclusivity, Cofidis Group added an environmental aspect to the program with the launch of #LikeMyPlanet. This program helped bring employees together through challenges held all across Europe.
Staff made 183 commitments to reduce their carbon footprint by 2023.

2.2.2 Factoring and receivables management in France

In 2020, the factoring market suffered a significant contraction and the overall volume of receivables purchased by the business line diminished accordingly (-8.7%). Factoring receivables at the year-end stood at €11.4 billion, a decline of 8.9%.

The business line strengthened its close bonds with customers by offering specific assistance regarding both terms & conditions and financing in response to the exceptional needs caused by the economic situation. A survey carried out after the first lockdown showed that the majority of customers approved of this measure.

2.2.3 Equipment and real estate leasing

Crédit Mutuel Leasing and CCLS (Leasing Solutions)
New business in the leasing division was hit by the general reduction in business activity in the first half of 2020.
A resurgence occurred in the second half of the year, particularly in the CCLS partner network.

For the year as a whole, total new business was just under €4.7 billion, 21% down on 2019. Leasing receivables were resilient, rising 4% to €12 billion at the end of 2020.

In response to the health crisis, Crédit Mutuel Leasing expanded its online presence in the Crédit Mutuel Alliance Fédérale networks.

Crédit Mutuel Real Estate Lease
Thanks to its expertise and the vitality of the local banking networks in the distribution of its products, Crédit Mutuel Real Estate Lease granted new leases with a value of €763 million, enabling it to grow leasing receivables to €5.49 billion at the year-end.

To respond more effectively to customer expectations, Crédit Mutuel Real Estate Lease continued to implement and expand the digital services it offers in the banking networks, and is now able to offer instant real estate leasing appraisals.

2.2.4 Collective asset management and employee savings

Crédit Mutuel Investment Managers
Crédit Mutuel Investment Managers is the asset management business center of Crédit Mutuel Alliance Fédérale. Crédit Mutuel Investment Managers was authorized as an investment business by the ACPR on April 17, 2020, enabling it to roll out all of its planned services.

The year 2020 was marked by a significant inflow of €8.3 million in new money for European money market funds. Net inflows for the European funds and discretionary mandates managed by Crédit Mutuel Asset Management and Banque de Luxembourg Investments (excluding money market funds) were €2.2 billion. This puts Crédit Mutuel Investment Managers among the most successful firms in France at attracting new money.

Crédit Mutuel Asset Management
With over €70 billion under management at the end of 2020, Crédit Mutuel Asset Management cemented its position as France's 4th largest management company.[1]

Crédit Mutuel Asset Management incorporates non-financial (environmental, social and governance) criteria into its management strategy, offering 20 funds with SRI, fonds solidaire or fonds de partage certification. Crédit Mutuel Asset Management has been a signatory to the Principles for Responsible Investment since 2012, and in 2020 received an A+ rating for its commitment to sustainable and responsible finance. This expertise in non-financial criteria led Crédit Mutuel Asset Management to set up a specialist sustainable and responsible finance department in 2020. Thanks to these efforts, the new range of SRI, GreenFin or ESG certified funds had assets under management of €2.5 billion.

Crédit Mutuel Epargne Salariale
Crédit Mutuel Epargne Salariale manages over 1.34 million employee savings accounts for 62,053 businesses, with total assets under management of €10 billion. New contracts remained above the 15,000 mark, although the total of 15,148 new contracts signed represents a decline of 3.8%. Inflows of new money remained substantial at €1.437 billion (-3.2%). Net inflows reached a historic high of €534.6 million (+38.1%).

The year 2020 was marked by adjustments to products and systems due to the implementation of the PACTE law, as well as by the launch of the employee savings robo-advisor and virtual assistant.

2.2.5 Real estate

Crédit Mutuel Immobilier and its eight subsidiaries form the specialized real estate division of Crédit Mutuel Alliance Fédérale. Together they manage all French-based real estate activities and had 299 employees at December 31, 2020. Crédit Mutuel Immobilier takes an innovation approach and offers new sources of real estate development.

In 2020, AFEDIM entered the market for pre-existing homes with the setting-up of AFEDIM Transactions and its first branches.

Crédit Mutuel Aménagement Foncier began selling real estate via AFEDIM and also began the implementation of environmental performance monitoring for its developments.

[1] Source: Six, December 2020.

3. Insurance

(€ millions)	2020	2019	Change
Net insurance income	**1,457**	**1,778**	**-18.0%**
General operating expenses	(629)	(629)	-0.1%
Gross operating income	**829**	**1,149**	**-27.9%**
Net gains/(losses) on other assets and ECC [1]	1	97	n.s.
Profit/(loss) before tax	**829**	**1,246**	**-33.5%**
Income tax	(286)	(374)	-23.4%
Net profit/(loss)	543	873	-37.8%

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

The insurance business, which is operated by Groupe des Assurances du Crédit Mutuel (GACM), has been integrated into Crédit Mutuel Alliance Fédérale in sales and technology terms for 50 years.

The health and economic crisis caused by the COVID-19 pandemic had a profound impact on GACM's business and results for 2020. This year was an opportunity to demonstrate the strength of the mutualist approach and be there for our customers in difficult times. With that in mind, GACM decided to take significant solidarity measures with a total value of €200 million. If these exceptional gestures were excluded, net insurance income in 2020 would be €1.657 billion, 6.8% down, instead of €1.457 billion.

Against this backdrop, business remained buoyant in 2020 and GACM's policy portfolios grew by a further 2.3% to reach a total of 34.7 million policies.

At €10.3 billion, insurance revenue was 15% down on the previous year, due mainly to the 30% drop in gross premium income for life business. This change was a result of the crisis, but was also due to the long-term measures put in place to diversify our customers' savings in an ultra-low interest rate environment. The success of these measures pushed up the share of unit-linked policies in premium income to 37.7% for the year, compared to 34.4% for the market as a whole. Unit-linked products are gaining momentum and create value for our policyholders, particularly thanks to the delegated management options on offer (UL pack, guided management) which produced excellent returns in 2020.

General insurance, which is less susceptible to the crisis, continued to rise at a sustained rate. Although portfolio growth was limited in the first half-year, revenues from property insurance thus rose 4.5%, particularly in auto and home where GACM substantially outperformed the market. More specifically, revenues from business multi-risk insurance went up almost 16% in 2020, buoyed by the roll-out of the new Multi Pro product in the fourth quarter of the year. This new product includes guaranteed advances on claims payments, a market first.

Revenue from health and accident policies grew 2.8%. This rise, which is smaller than that in property insurance, is due to the end of the Aide à la complémentaire santé (ACS) program, resulting in the disappearance of virtually all this portfolio, and a contraction in the personal health policy portfolio.

Insurance commissions paid to the networks continued to rise, reaching €1.6 billion (+3.3%). Of the total, €1.3 billion was paid to Crédit Mutuel Alliance Fédérale.

The lockdowns and other periods of restrictions aimed at stemming the pandemic had contrasting effects on the results for the different policy portfolios. While auto, home and healthcare claims fell, the number of unemployment and death claims in relation to provident and loan insurance policies increased substantially. In these two segments, the claims experience specific to the crisis came on top of the steady increase in disability and incapacity claims that has been apparent for a number of years.

GACM took exceptional solidarity measures to support policyholders in the face of the crisis, especially businesses and professionals. The flagship measure, a lump-sum bonus called the *prime de relance mutualiste*, was paid to over 25,300 holders of comprehensive business insurance policies who had taken out business interruption cover. The bonuses varied from €1,500 to €20,000, at a total cost of nearly €180 million. GACM also contributed €17 million to support measures put in place by the insurance industry and to the solidarity fund for microenterprises and the self-employed. At the same time, GACM committed to investing €65 million in the Relance Durable France program, a joint effort between the insurance industry and the Caisse des Dépôts to provide support and funding to French businesses.

In life insurance, GACM was among the first to decide to maintain the returns granted to policyholders in 2020, as a gesture of solidarity. Prudent financial management also enabled extra additions to be made to profit participation reserves. GACM thus has a remuneration reserve for the euro fund equal to 8% of the total amount under management, one of the highest figures in the market, enabling it to support policyholders over the long term.

The continuing fall in interest rates led to considerable increases in provisions. The fall in the stock markets had a negative impact of €133 million on GACM's net financial income as reported under IFRS.

GACM thus contributed €543 million to overall profits, a 37.8% fall relative to the year ended December 31, 2019 (€873 million). Despite the resilience shown by our businesses, profit fell due to the cost of the mutualist efforts made by GACM to support policyholders.

Premium income in the international subsidiaries was just under €624 million and accounted for 6.1% of the total. The largest market was Spain with €491 million, followed by Belgium (€127 million).

With shareholders' equity of €11.8 billion at December 31, 2020, GACM continues to enjoy a robust balance sheet that enables it to confront an adverse environment without undue concern.

Amid these circumstances, the strategic plan laid down by Crédit Mutuel Alliance Fédérale continued to be fully relevant. The crisis confirmed policyholders' needs for employment protection, a market in which GACM aims to become a major force.

To bolster its growth in the business and professional market, GACM introduced new offerings and services for its customers in 2020, including Multi Pro (comprehensive business insurance), personal and mandatory Retirement Savings Plans, and the "Assur Prêt Pro et Entreprises" loan insurance policy.

In all its business areas, GACM continued its strategy of improving the products and services it offers to policyholders in response to the growing demand for greater simplification. In 2020, efforts made to further simplify online and telephone communications with customers included the roll-out of electronic signatures, online claims for time off work and the online My Insurance area for businesses and professionals.

4. Specialized business lines

Private banking, corporate banking, capital markets and private equity round out the banking and insurance offering of Crédit Mutuel Alliance Fédérale. These four businesses account for 10% of net banking income[1] and 16% of net profit from operating activities. [2]

4.1 Private banking

(€ millions)	2020	2019	Change
Net banking income	**626**	**572**	**+9.5%**
General operating expenses	(413)	(413)	-0.1%
Gross operating income	**213**	**159**	**+34.3%**
Net additions to/reversals from provisions for loan losses	(32)	6	n.s.
Operating profit/(loss)	**181**	**165**	**+10.0%**
Net gains/(losses) on other assets and ECC [1]	0	2	n.s.
Profit/(loss) before tax	**181**	**166**	**+9.0%**
Income tax	(39)	(33)	+18.9%
Net profit/(loss)	**142**	**133**	**+6.5%**

[1] ECC: equity consolidated companies = share of net profit/(loss) of equity consolidated companies

Customer activity	
	12/31/2020
(figures in € billions)	
total savings	135.9
change over 1 yr	*+9.2%*
of which customer deposits	24.9
change over 1 yr	*+4.8%*
of which investment savings	111.0
change over 1 yr	*+10.3%*
customer loans	15.7
change over 1 yr	*7.6%*

The companies that make up this business line operate in France and internationally through Banque Transatlantique and its branches and subsidiaries (Banque Transatlantique Luxembourg, Banque Transatlantique Belgium, Banque Transatlantique London), Banque de Luxembourg and Banque CIC Suisse.

Net banking income and net profit were buoyed by lively commercial activity and grew 9.5% and 6.5% respectively.

4.2 Corporate banking

(€ millions)	2020	2019	Change
Net banking income	**381**	**383**	**-0.5%**
General operating expenses	(123)	(121)	+1.6%
Gross operating income	**259**	**263**	**-1.4%**
Net additions to/reversals from provisions for loan losses	(271)	(139)	+95.8%
cost of proven risk	*(93)*	*(127)*	*-26.9%*
cost of non-proven risk	*(178)*	*(12)*	*x 15.3*
Operating profit/(loss)	**(12)**	**124**	**n.s.**
Profit/(loss) before tax	**(8)**	**124**	**n.s.**
Income tax	14	9	+52.1%
Net profit/(loss)	**6**	**133**	**-95.6%**

Customer activity	
	12/31/2020
(figures in € billions)	
customer loans	19.2
change over 1 yr	*+1.7%*
customer deposits	16.7
change over 1 yr	*+64.8%*

[1] Excluding intra-group activities.
[2] Excluding holding company.

The corporate banking business line provides services to large corporate and institutional customers, based on a comprehensive approach to their requirements, both in France and at CIC's foreign subsidiaries (London, Brussels, New York, Singapore and Hong Kong). It also supports the work of the "corporate" networks with their major customers and assists with international business development and the implementation of specialized financing (acquisitions, assets and projects).

Net banking income remained steady, but net profit was dragged down considerably by the significant increases in provisioning on performing loans (€178 million, i.e. 78 basis points).

4.3 Capital markets

(€ millions)	2020	2019	Change
Net banking income	**319**	**337**	**-5.4%**
General operating expenses	(225)	(226)	-0.7%
Gross operating income	**94**	**111**	**-15.2%**
Net additions to/reversals from provisions for loan losses	(1)	(3)	-53.0%
Profit/(loss) before tax	**93**	**108**	**-14.2%**
Income tax	(25)	(28)	-10.6%
Net profit/(loss)	**68**	**80**	**-15.5%**

Capital markets includes the fixed-income, equities and credit investment business lines and the commercial markets business (CIC Market Solutions) in France and in the branches in New York and Singapore.

CIC Markets recorded net banking income of €319 million for the year ended December 2020 (compared with €337 million in 2019).

Investment banking (including France, the New York and Singapore branches and Cigogne Management SA) recorded net banking income of €223 million under IFRS. This marks an improvement relative to December 31, 2019 if the exceptional net banking income of $34 million recorded in 2019 for New York is disregarded.

The Commercial business line (CIC Market Solutions and Singapore) had an extremely busy year and recorded net banking income of €95 million under IFRS, a rise of €8 million relative to December 31, 2019, after taking account of €81 million in commissions paid (7% rise).

4.4 Private equity

(€ millions)	2020	2019	Change at const. scope [1]
Net banking income	**190**	**265**	**-34.1%**
General operating expenses	(65)	(51)	+9.3%
Gross operating income	**126**	**214**	**-44.5%**
Net additions to/reversals from provisions for loan losses	(1)	(0)	n.s.
Profit/(loss) before tax	**125**	**214**	**-44.9%**
Income tax	3	(1)	n.s.
Net profit/(loss)	**128**	**213**	**-43.1%**

Key figures	2020
invested portfolio	€2.8bn
number of holdings	343
new investments in year	€580m

1 Excludes entities consolidated for the first time in 2020: CIC Capital Suisse SA, CIC Capital Canada Inc, CIC Capital Ventures Quebec and CIC Capital Deutschland GmbH.

This activity is carried out by Crédit Mutuel Equity which is headquartered in Paris and has offices in Lyon, Nantes, Lille, Bordeaux and Strasbourg, thereby ensuring close ties to customers while gradually entering a phase of international development (Switzerland, Germany, Canada, US).

Despite the harsh economic situation caused by the health crisis, which adversely affected the valuations of some holdings, 2020 was a record year in terms of disposals.

At the same time, €580 million of investments were made, 37% more than in the previous year. This includes 20 new transactions which accounted for €238.5 million.

5. Other activities: IT, logistics and media

IT, logistics and media

(€ millions)	2020	2019	Change
Net banking income	**1,812**	**1,806**	**+0.3%**
General operating expenses	(1,636)	(1,587)	+3.1%
Gross operating income	**176**	**219**	**-19.9%**
Net additions to/reversals from provisions for loan losses	(4)	(5)	-20.3%
Operating profit/(loss)	**172**	**214**	**-19.9%**
Net gains/(losses) on other assets and ECC [1]	570	(23)	n.s.
Profit/(loss) before tax	**742**	**192**	**n.s.**
Income tax	(69)	(69)	+0.6%
Net profit/(loss)	**673**	**123**	**n.s.**

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

This division comprises the group's IT companies, the logistics entities and the regional newspaper business (Républicain Lorrain, Est Républicain, Vosges Matin, Dernière nouvelles d'Alsace, l'Alsace, le Progrès, le Bien Public, le Journal de Saône et Loire et Le Dauphiné Libéré). The media division continued the implementation of its transformation plan.

The divisional results include the disposal of Euro-Information Telecom, sold to Bouygues Telecom at the end of 2020. The disposal was accompanied by the signing of a long-term distribution agreement, under which Crédit Mutuel can sell Bouygues Telecom fixed-line and mobile services in the Crédit Mutuel local banks and the CIC branch network.

6. A business with a mission and a raison d'être

Since its creation, Crédit Mutuel Alliance Fédérale has distinguished itself by embracing a modern, innovative mutualist model, and today has 1,401 local banks and 13 federations. Its values of democracy and solidarity and its social and environmental engagement make it a recognized civic-minded bank. Following discussions with its elected directors and employees, Crédit Mutuel Alliance Fédérale has adopted a raison d'être and the status of mission-driven company.

"Together, listening and acting"
Three unifying words to assert the identity and values of Crédit Mutuel Alliance Fédérale and harness skills and energies to achieve a shared goal.

Together, because Crédit Mutuel Alliance Fédérale is an organization where everyone - elected directors and employees alike - work with the same objectives: from the Crédit Mutuel local banks to the federation, from the CIC neighborhood branch to the regional bank, from the support functions to the subsidiaries.

Listening, because Crédit Mutuel Alliance Fédérale is open and attentive to the needs of its members and customers and to major changes in the world, and because it wants to balance each person's interests with everyone's success.

Acting, to transform the collective strength and innovative spirit of its elected directors and employees into action: ensure that banking and insurance activities support everyone's life course and aspirations, from individuals to companies.

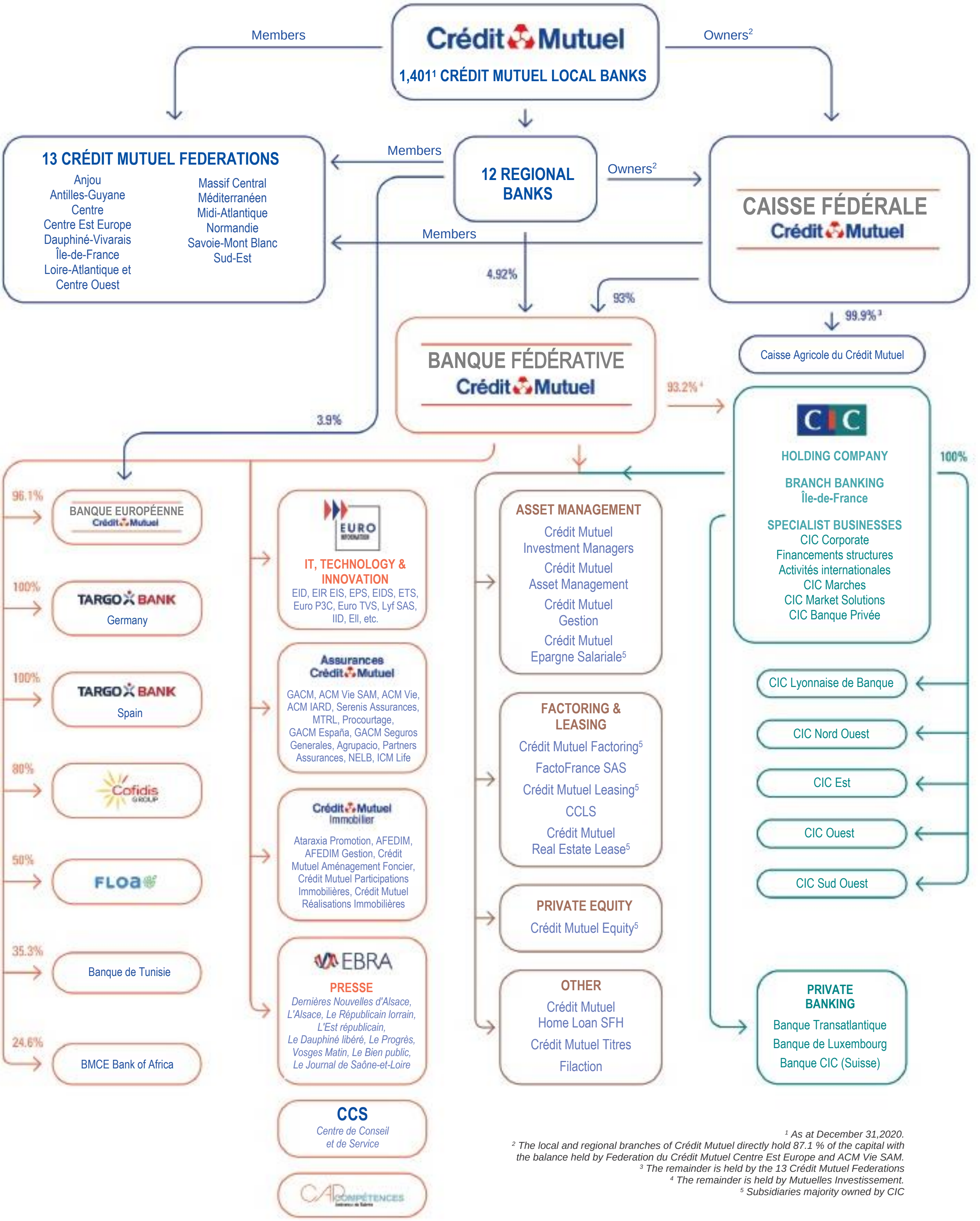
By adopting this raison d'être, Crédit Mutuel Alliance Fédérale is once again asserting its uniqueness, which has been enhanced with the status of "mission-driven company" since September 7, 2020.

The five missions of Crédit Mutuel Alliance Fédérale

- A cooperative and mutualist organization, we support our customers and members to the best of their interests.
- A bank for everyone, members and customers, employees and elected directors, we act on behalf of each.
- We respect everyone's personal privacy and use technology and innovation to serve people.
- A community-oriented company we contribute to regional development.
- A responsible company, we strive for a fairer, more sustainable society.

Crédit Mutuel Alliance Fédérale

7. Organization chart



[1] As at December 31,2020.
[2] The local and regional branches of Crédit Mutuel directly hold 87.1 % of the capital with the balance held by Federation du Crédit Mutuel Centre Est Europe and ACM Vie SAM.
[3] The remainder is held by the 13 Crédit Mutuel Federations
[4] The remainder is held by Mutuelles Investissement.
[5] Subsidiaries majority owned by CIC

8. Additional information

8.1 Liquidity and refinancing

Crédit Mutuel Alliance Fédérale's central treasury management is based on prudent rules and an effective system for accessing market funding.

Funding requirements in commercial banking are covered by medium and long term funding, while the liquidity buffer is refinanced on the money markets. Crédit Mutuel Alliance Fédérale has a variety of issue programs that allow it to access investors in the main international markets via public and private issues. In addition to these arrangements, the group holds a comfortable liquidity reserve designed both to comply with regulatory ratios and to enable it to withstand severe stresses.

The year 2020 was marked by the advent of the COVID-19 pandemic, which necessitated a sizable and prolonged enhancement of support measures by central banks, including the European Central Bank (ECB), in conjunction with the near-immediate implementation of huge budgetary measures, particularly by the European Commission and the major nations.

Aside from a short period of contraction in mid-March before these large-scale support measures were brought in, the market was largely favorable to issuers with access to liquidity available on very attractive terms.

BFCM was able to profit from these circumstances via all of its issue programs.

In total, external funding obtained in the markets stood at €147 billion at the end of December 2020, an increase of 2.4% compared to 2019.

Short-term money market funding (less than one year) totaled €48.6 billion at the end of 2020, down 6.6% compared to the previous year. It accounted for 33% of all market funding raised, three percentage points less than last year. The substantial improvement in the loan-to-deposit ratio for Crédit Mutuel Alliance Fédérale enabled the central treasury department to scale back its use of short-term funding.

Medium and long-term (MLT) funding totaled €98.4 billion at the end of 2020, a 7.5% increase compared to 2019. In 2020, Crédit Mutuel Alliance Fédérale raised €14.5 billion in MLT funding, primarily under the BFCM name as well as that of Crédit Mutuel Home Loan SFH, its entity that issues covered bonds and has the highest rating assigned by rating agencies. 81.1% of this MLT funding was raised in euros and the balance (18.9%) in foreign currencies (US dollar, yen, pound sterling, Swiss franc), thereby demonstrating the good diversification of the investor base. Public issues and private placements represented 63% and 37% of the total respectively.

The average length of medium and long-term funding raised in 2020 was 6.2 years, slightly longer than in 2019 (5.7 years).

2020 refinancing program

In 2020, public issues had a total value of €9.2 billion and were made up as follows:
• BFCM - senior EMTNs
- €750 million in a 7 year green bond issue in October,
- GBP 600 million in a 5 year issue in February,
- CHF 180 million in an 8 year issue in February,
- USD 1 billion in a 3 year issue in November through U.S. Rule 144A,
- JPY 63.6 billion in a 5, 7 and 10 year issue in October through Samurai offerings.

- BFCM - NPS EMTNs
    - €3.250 billion in 10 year issues in January, June and October.

- Crédit Mutuel Home Loan SFH: €3 billion in 10 year and 5 year issues in January and April.

LCR and liquidity *buffer*

For the consolidated group, Crédit Mutuel Alliance Fédérale's liquidity position is as follows:

- an average LCR over 2020 of 165.2% (vs. 142.8% in 2019);
- average HQLA (high quality liquid assets) of €116.8 billion, 75% of which is deposited at central banks (mainly the ECB).

The total liquidity reserves for the consolidated group break down as follows:

Crédit Mutuel Alliance Fédérale (€ billions)	**12/31/2020**
Cash deposited at central banks	102.1
LCR securities (after LCR haircut)	27.8
Level 1 HQLA included in the above	*22.1*
Other eligible central bank assets (after ECB haircut)	59.2
Total liquidity reserves	**189.1**

The liquidity reserve covers the vast majority of market funding due over 12 months.

Planned refinancing operations

Two new credit lines were approved in 2019 and were signed with the European Investment Bank (EIB) in 2020:

- March 2020: “Young Farmers & Climate Action”, a €100 million program for SMEs and midcaps in the farming and organic business sectors, with a minimum 50% climate change contribution.

  BFCM drew down the first nine-year tranche of €50 million in December 2020.

- April 2020: “Loans for SMEs and Midcaps III”, a €250 million program.

As part of the EU PL response to Covid-19 crisis for SMEs & midcaps announced in April 2020, the EIB also awarded €350 million to BFCM in June 2020 to support SMEs and midcaps weakened by the health crisis.

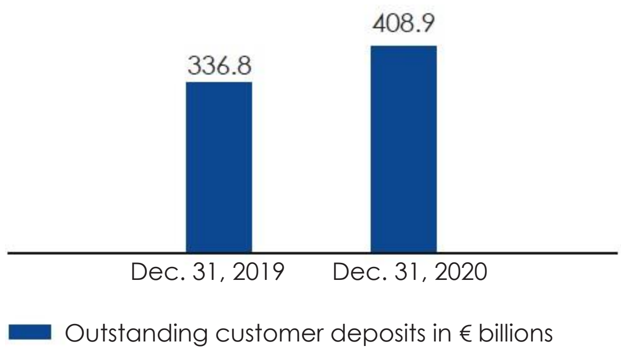
This unprecedented measure is in addition to the government-backed "PGE" loan scheme (Prêts garantis par l'Etat). It is intended to provide loans at beneficial rates and fund the investments needed to build the future.

8.2 Outstanding loans and deposits

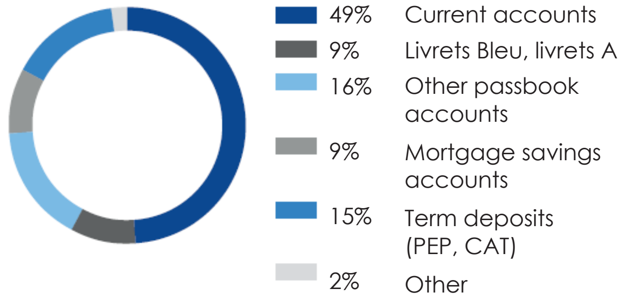
Customer deposits

Customer **deposits** rose sharply by 21.4% year on year to €408.9 billion, an increase of €72 billion. The growth in current account credit balances (+33%) and passbook accounts (+11%) illustrates how customers have sought out short-term investments in which to harbor part of their unspent income.

Crédit Mutuel Alliance Fédérale customer deposits



Structure of customer deposits at December 31, 2020

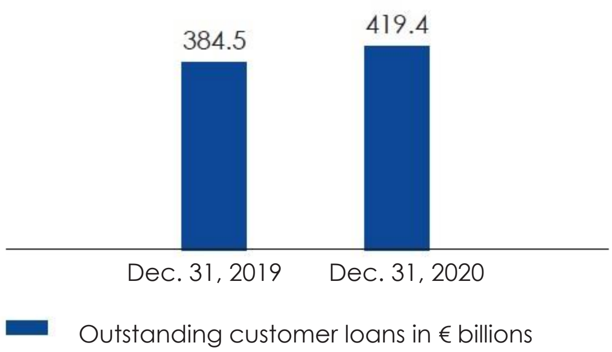


Customer loans

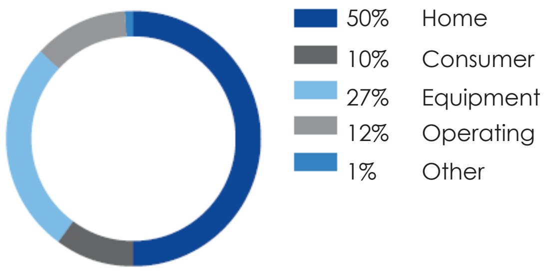
Outstanding **loans** increased by 9.1% to reach €419.4 billion at the end of December 2020. This total includes €3.3 billion in relation to the two new member federations. The rise is due in particular to businesses seeking liquidity in response to the crisis, driving up the total firstly by drawing on existing credit facilities and secondly by taking out government-backed loans under the "PGE" scheme, of which Crédit Mutuel Alliance Federate has €17.5 billion outstanding.

Ongoing low interest rates and a residential real estate market that stood up well despite the health crisis led to an 8.7% rise in outstanding home loans, which stood at €208.3 billion.

Crédit Mutuel Alliance Fédérale customer loans



Structure of customer loans at December 31, 2020



8.3 Methodology notes

Movements excluding changes in the scope of consolidation are calculated by excluding the following entities, which were consolidated for the first time in 2020:

- Retail banking: Crédit Mutuel Antilles-Guyane (Fort-de-France) and Crédit Mutuel Massif Central (Clermont-Ferrand) federations;
- Private equity: CIC Capital Suisse SA, CIC Capital Canada Inc, CIC Capital Ventures Quebec and CIC Capital Deutschland GmbH.

Crédit Mutuel Alliance Fédérale

(€ millions)	2020	Change in scope	2020 at constant scope	2019	Change at constant scope in %	in €m
Net banking income	**14,238**	**138**	**14,100**	**14,569**	**-3.2%**	**(469)**
General operating expenses	(8,867)	(89)	(8,778)	(8,942)	-1.8%	+164
of which: supervisory and resolution costs	*(270)*	*(1)*	*(269)*	*(212)*	*+26.5%*	*(56)*
Gross operating income	**5,371**	**49**	**5,322**	**5,627**	**-5.4%**	**(305)**
Net additions to/reversals from provisions for loan losses	(2,377)	(12)	(2,365)	(1,061)	x 2.2	(1,304)
Cost of proven risk	*(1,023)*	*(5)*	*(1,018)*	*(945)*	*+7.6%*	*(72)*
Cost of non-proven risk	*(1,354)*	*(7)*	*(1,347)*	*(116)*	*x 11.7*	*(1,232)*
Operating profit/(loss)	**2,994**	**37**	**2,957**	**4,566**	**-35.2%**	**(1,609)**
Net gains/(losses) on other assets and ECC	570	0	569	86	n.s.	+483
Profit/(loss) before tax	**3,563**	**37**	**3,526**	**4,652**	**-24.2%**	**(1,126)**
Income tax	(968)	(7)	(961)	(1,507)	-36.2%	+546
Net profit/(loss)	**2,595**	**30**	**2,566**	**3,145**	**-18.4%**	**(580)**
Non-controlling interests	306		306	313	-2.2%	(7)
Non-controlling interests						
Net profit/(loss) attributable to the group	**2,289**	**30**	**2,260**	**2,832**	**-20.2%**	**(573)**

8.4 Alternative performance indicators (APIs) Article 223-1 of the AMF General Regulation / ESMA guidelines (ESMA/20151415)

Name	Definition/calculation method	For ratios, justification of use
cost/income ratio	ratio of general operating expenses (sum of items "general operating expenses" and "allocations/reversals of depreciation, amortization and provisions for property, plant and equipment and intangible assets" of the consolidated income statement) to "IFRS net banking income"	measure of the bank's operational efficiency
overall net additions to provisions for customer loan losses as a percentage of outstanding loans (expressed in % or basis points)	net additions to provisions for customer loan losses from the note to the consolidated financial statements as a percentage of gross outstanding loans at end of period	allows the level of risk to be assessed as a percentage of the balance-sheet credit commitments
cost of risk	"net additions to/reversals from provisions for loan losses" item in the publishable consolidated income statement	measures the level of risk
cost of risk on loans to customers	"loans and receivables due from customers at amortized cost" item of the asset side of the consolidated balance sheet	measure of customer activity in terms of loans
cost of non-proven risk	12-month expected losses (S1) + expected losses at maturity (S2); see note to the financial statements. Application of IFRS 9 (IAS 39 in 2017). Impairment is recorded for all financial assets for which there is no individual objective evidence of impairment	measures the level of non-proven risk
customer deposits; bank deposits	"due to customers at amortized cost" item on the liabilities side of the consolidated balance sheet	measure of customer activity in terms of balance sheet deposits
insurance-based savings	life insurance products held by our customers - management data (insurance company)	measure of customer activity in terms of life insurance
investment savings, savings in management and custody	off-balance sheet savings products held by our customers or under custody (securities accounts, mutual funds, etc.) - management data (group entities)	representative measure of activity in terms of off-balance sheet funds (excluding life insurance)
total savings	sum of bank deposits, insurance-based savings and investment savings	measure of customer activity in terms of savings
general operating expenses; general expenses, management expenses	sum of items "general operating expenses" and "movements in depreciation, amortization and provisions for property, plant and equipment and intangible assets" in the publishable consolidated income statement	measures the level of general operating expenses
interest margin, net interest revenue, net interest income	calculated from the items on the consolidated income statement: difference between interest received and interest paid: - interest received = "interest and similar income" item in the publishable consolidated income statement: - interest paid = "interest and similar expenses" item in the publishable consolidated income statement:	representative measure of profitability
loan to deposit ratio	ratio calculated from items in the consolidated balance sheet: expressed as a percentage of total customer loans ("loans and receivables due from customers" as per the consolidated balance sheet) to customer deposits ("due to customers" as per the consolidated balance sheet)	measure of dependency on external funding
coverage ratio	determined by calculating the ratio of provisions for credit risk (impairment S3) to the gross outstandings identified as in default in accordance with regulations (individually impaired gross receivables S3)	this coverage ratio measures the maximum residual risk associated with loans in default ("non-performing loans")
share of non-performing loans in gross loans	ratio of individually impaired gross receivables (S3) to gross customer outstanding loans (calculated from "loans and receivables due from customers" note to the consolidated financial statements: gross receivables + finance leases)	indicator of asset quality

Alternative performance indicators (APIs): reconciliation to the financial statements

(€ millions)

Cost/income ratio	2020	2019
General operating expenses	(8,867)	(8,942)
Net banking income	14,238	14,569
Cost/income ratio	**62.3%**	**61.4%**

Retail banking cost/income ratio	2020	2019
Retail banking general operating expenses	(6,487)	(6,607)
Retail banking net banking income	10,543	10,537
Retail banking cost/income ratio	**61.5%**	**62.7%**

Net profit / regulatory assets	2020	2019
Net profit/(loss)	2,595	3,145
Risk-weighted assets (RWA)	233,825	225,713
Net profit / regulatory assets	**1.1%**	**1.4%**

Loan to deposit ratio	2020	2019
Net customer loans	419,413	384,535
Customer deposits	408,901	336,806
Loan to deposit ratio	**102.6%**	**114.2%**

Coverage ratio	2020	2019
Impairment (S3)	6,509	6,471
Gross receivables subject to individual impairment (S3)	12,497	12,079
Total coverage ratio	**52.1%**	**53.6%**

Non-performing loan ratio	2020	2019
Gross receivables subject to individual impairment (S3)	12,497	12,079
Gross customer loans	429,024	392,979
Non-performing loan ratio	**2.9%**	**3.1%**

Net provisioning as a percentage of outstanding loans	2020	2019
Net additions to/reversals from provisions for customer loan losses	(2,008)	(1,071)
Gross customer loans	429,024	392,979
Net provisioning as a percentage of outstanding loans	**0.47%**	**0.27%**