



**BFCM GREEN, SOCIAL AND SUSTAINABILITY BOND FRAMEWORK  
INVESTOR PRESENTATION  
September 2021**



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Further information regarding BFCM Green, Social and Sustainability Bond Framework is available on the issuer's website <https://www.bfcm.creditmutuel.fr/fr/index.html>

No assurance is given by Credit Mutuel Alliance Fédérale or BFCM that the use of such net proceeds for any Eligible Loans will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws, investment policy or other governing rules or investment portfolio mandates.

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More than 27 million clients

4 main brands

More than 5 million members



A real cooperative Group belonging to its members

Financing the real economy

More than 4,000 branches

A 'bancassureur' business model

A culture of innovation



A strong financial profile

"Ensemble, écouter et agir"  
Bylaws adopted to our objectives

€51.8 billion equity capital



Our senior preferred notes ratings\*

Our extra-financial ratings

MOODY'S Aa3 / P-1 / stable

VE 65

ISS ESG C

S&P Global Ratings A / A-1 / stable

MSCI ESG RATINGS AA

SUSTAINALYTICS 21.8

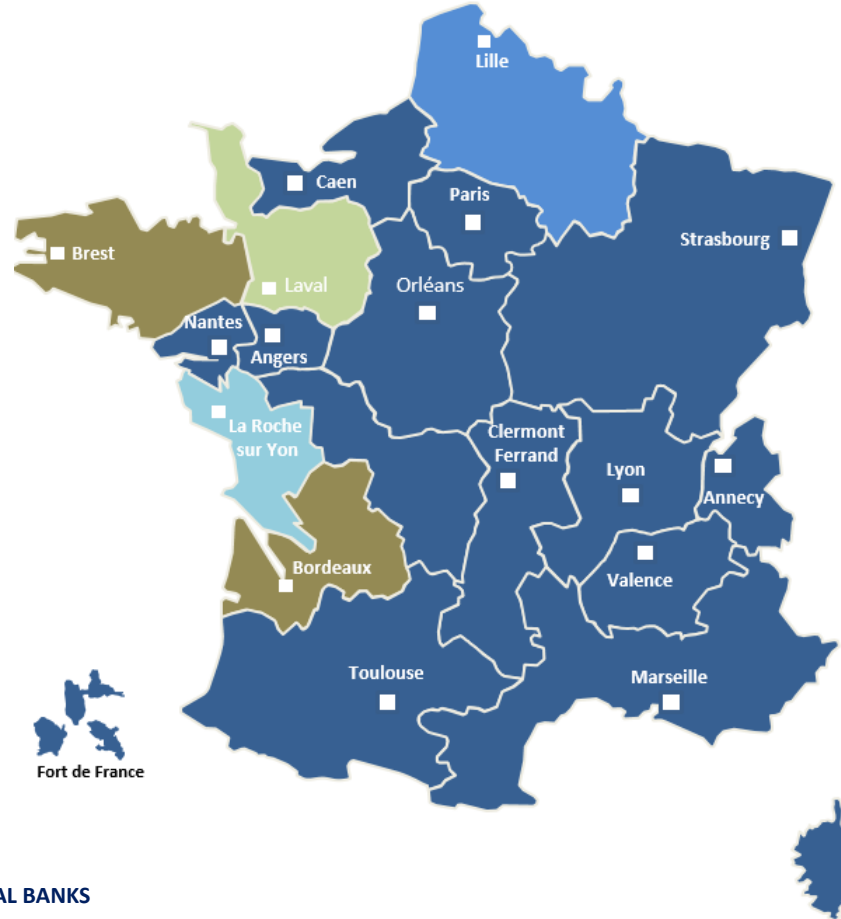
FitchRatings AA-/ F1+ / negative



Overview

\*Moody's upgraded the junior senior unsecured debt rating to A3 from Baa1 as at July 2021

## 18 FEDERATIONS

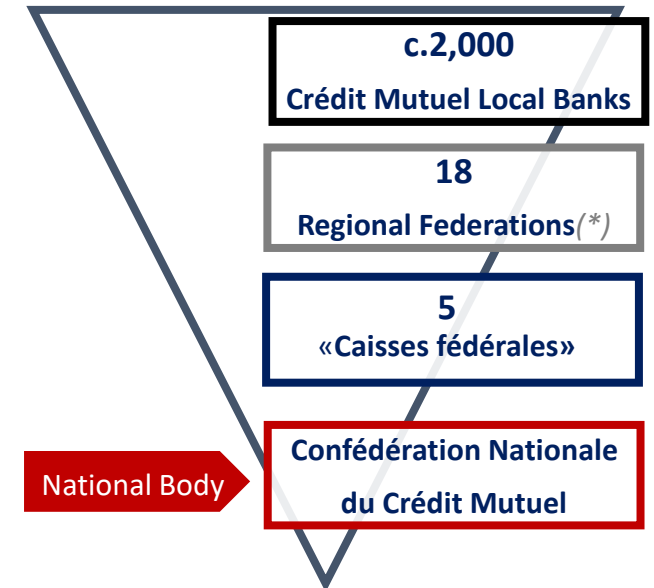


### REGIONAL BANKS

- Crédit Mutuel Alliance Fédérale
- Crédit Mutuel Nord Europe: in process to join Crédit Mutuel Alliance Fédérale by 2022
- Crédit Mutuel ARKEA
- Crédit Mutuel Maine Anjou Basse Normandie
- Crédit Mutuel Océan

## CRÉDIT MUTUEL GROUP structure & governance

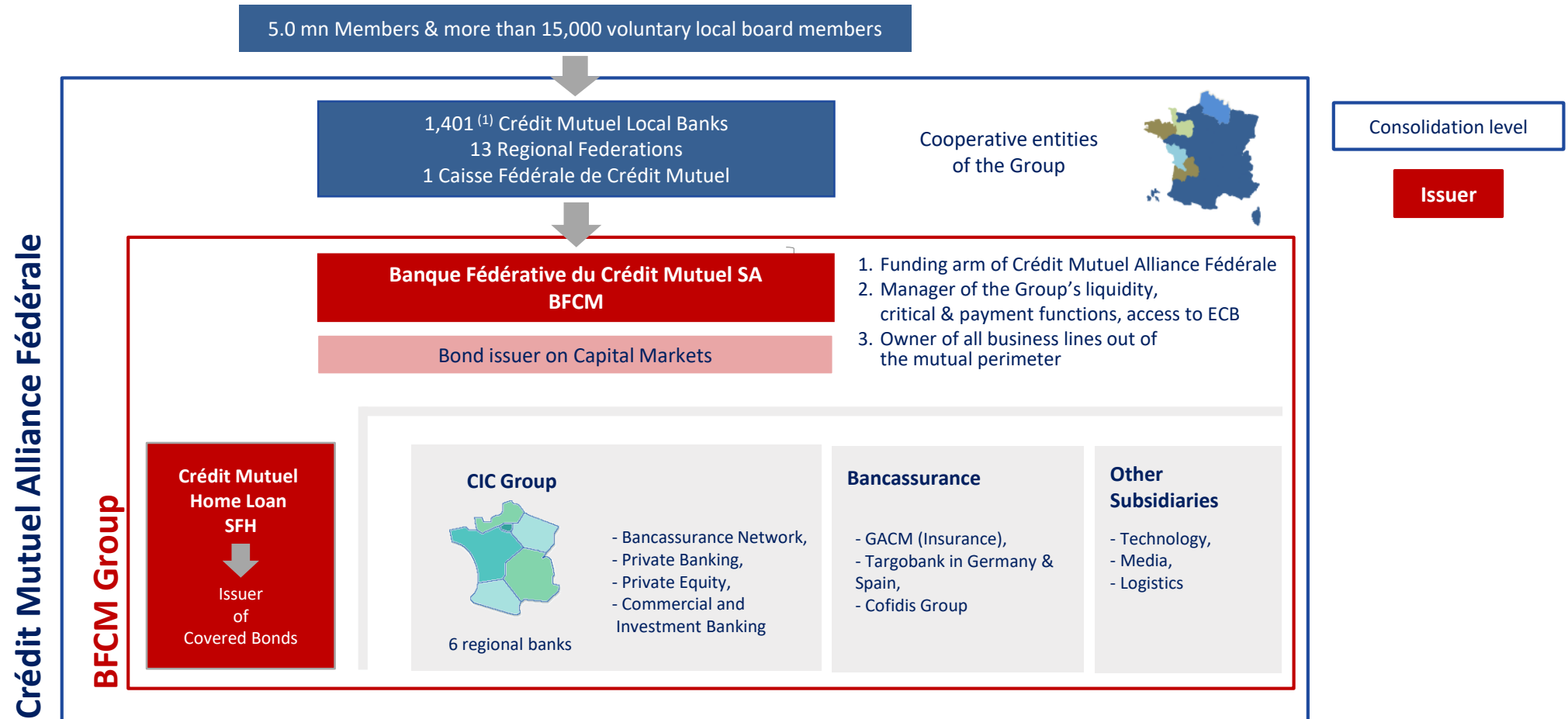
- c.8.0 million members
- c.34.0 million clients
- c.22,000 voluntary local board members
- c.83,000 employees



(\*) + Crédit Mutuel Agricole et Rural (CMAR), a national agricultural federation

# Crédit Mutuel Alliance Fédérale: organization

A cooperative bank group with one issuer on the capital markets(\*)

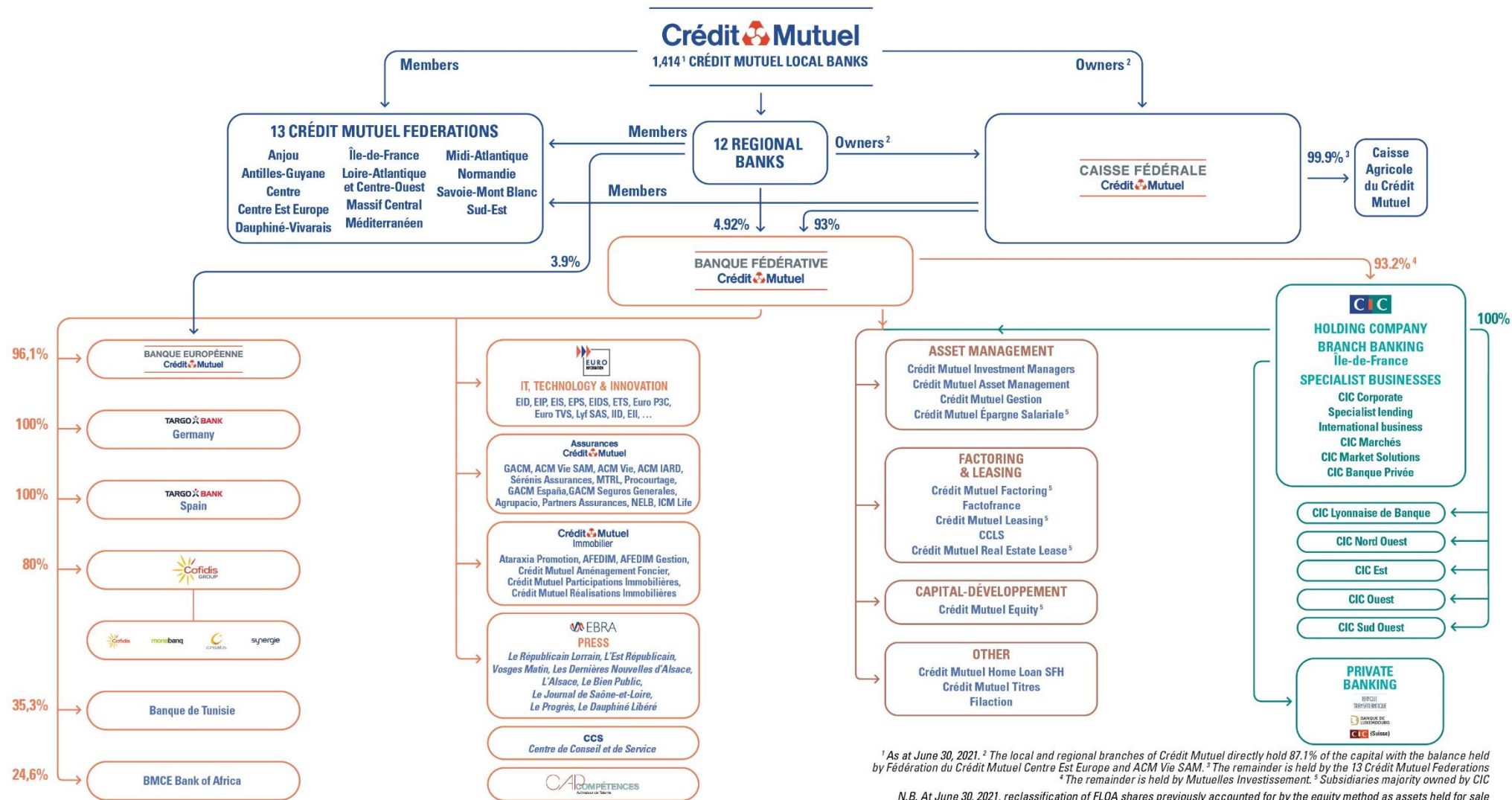


(\*) including Crédit Mutuel Home Loan SFH

(1) As at December 31<sup>st</sup> 2020



# Crédit Mutuel Alliance Fédérale: organization chart



<sup>1</sup> As at June 30, 2021. <sup>2</sup> The local and regional branches of Crédit Mutuel directly hold 87.1% of the capital with the balance held by Fédération du Crédit Mutuel Centre Est Europe and ACM Vie SAM. <sup>3</sup> The remainder is held by the 13 Crédit Mutuel Federations <sup>4</sup> The remainder is held by Mutuelles Investissement. <sup>5</sup> Subsidiaries majority owned by CIC  
 N.B. At June 30, 2021, reclassification of FLOA shares previously accounted for by the equity method as assets held for sale

# First-half 2021 Key takeaways

Crédit Mutuel Alliance Fédérale recorded strong results driven by the acceleration of The 2019-2023 Strategic Plan

<h2>Net revenues</h2>	<b>Significant increase in consolidated revenues: €7,962 million</b> (vs €6,858m)	<b>+€1,104m (+17.2%<sup>(1)</sup>)</b>
<h2>Operating expenses</h2>	<ul style="list-style-type: none"> <li>• <i>Bancassurance</i> <b>+9.7%</b></li> <li>• Retail Banking Networks <b>+ 3.1%</b> : interest margin resilience and strength in commissions</li> <li>• Market rebound positively impacted Insurance, Capital Markets and Private Equity</li> <li>• Increase in revenues in Corporate Banking <b>+7.0%</b> and Private Banking <b>+ 2.7%</b></li> </ul>	<b>+4.7%<sup>(1)</sup></b>
<h2>Cost of risk</h2>	<b>€184 million increase reaching €4,736 million</b> (vs €4,552m) <ul style="list-style-type: none"> <li>• Social policy impact</li> <li>• Regulatory costs contribution</li> </ul> Proven operational efficiency in the first-half of 2021: cost to income at <b>59.5%</b> (vs 62.3% in Dec 2020 and 60.6% in June 2019)	<b>-€858m</b>
<h2>Net income</h2>	<b>Total customer cost of risk: €188 million</b> (vs €1,046m) <ul style="list-style-type: none"> <li>• At 10 bp as at June 30th 2021 driven by a decrease in the cost of risk in all business lines</li> <li>• Positive effect thanks to the continuation of the French government support measures in the first-half of 2021</li> <li>• Decrease in proven cost of risk at €320 million (vs €557 million)</li> <li>• Limited provisions releases on non-proven cost of risk after significant provisioning in H2-2020</li> </ul>	<b>+€1,230m (x2.4)</b>
<h2>Capital</h2>	<b>Consolidated net income at €2,087 million</b> (vs €857m) <ul style="list-style-type: none"> <li>• Significantly higher to pre-crisis level (€1,629 million in June 2019 <b>+28.2%</b>)</li> <li>• Retail Banking Networks net income increased by 96% to €984m and insurance profit contribution to the consolidated net result was multiplied by 2.5</li> </ul>	
<h2>Strategic developments</h2>	<b>Reinforced solvency</b> <b>CET1 Ratio<sup>(2)</sup> : 18.3% - LCR: 170.9%</b> average H1-2021 <ul style="list-style-type: none"> <li>• CMNE convergence: board approval in June 29<sup>th</sup> 2021</li> <li>• Crédit Mutuel and BNP Paribas agreed on a strategic and industrial partnership in remote surveillance the 8th of July 2021</li> <li>• Continuing non-strategic asset divestment &amp; the continuation of targeted inorganic growth</li> </ul>	

(1) At a constant perimeter (2) : excluding transitional measures



# Business lines & core markets

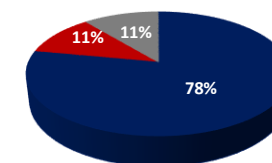
Bancassurance represents c.77.0% of total net revenues

	RETAIL BANKING	INSURANCE	SPECIALIZED BUSINESS LINES	IT-LOGISTIC	MEDIA
€million	<ul style="list-style-type: none"> <li>→ Crédit Mutuel</li> <li>→ CIC</li> <li>→ Targobank Germany / Spain</li> <li>→ Cofidis Group</li> <li>→ Factoring / leasing</li> <li>→ Asset management</li> </ul>	<ul style="list-style-type: none"> <li>→ Groupe des Assurances du Crédit Mutuel</li> </ul>	<ul style="list-style-type: none"> <li>→ Commercial banking</li> <li>→ Investment banking</li> <li>→ Private banking</li> <li>→ Private equity</li> </ul>	<ul style="list-style-type: none"> <li>→ Euro Information</li> </ul>	<ul style="list-style-type: none"> <li>→ Media</li> </ul>
<b>NET REVENUES<sup>(1)</sup></b>	<b>5,340</b>	<b>1,119</b>	<b>1,066</b>	<b>762</b>	<b>131</b>
% of operational business lines (c.)	63.4%	13.3%	12.6%	9.1%	1.6%
<b>Δ%</b>	<b>+2.9%</b>	<b>+60.2%</b>	<b>+76.4%</b>	<b>-4.0%</b>	<b>+7.4%</b>
<b>NET INCOME<sup>(1)</sup></b>	<b>1,122</b>	<b>540</b>	<b>518</b>	<b>59</b>	<b>0</b>
% of operational business lines (c.)	50.1%	24.2%	23.1%	2.6%	0%
<b>Δ%</b>	<b>x2.1</b>	<b>x2.4</b>	<b>x8.6</b>	<b>n.m.</b>	<b>n.m.</b>

- Income from the banking networks rose by 3.1% yoy recovering to pre-crisis levels
- Net insurance profit was up by 60.2% reflecting financial market recovery
- Private banking posted a further rise in income thanks to dynamic activity (+2.7%)
- Corporate banking net revenue rose significantly, by 7.0%.
- Capital markets benefited from the ongoing improvement in the financial markets that started in the second quarter of 2020 & the solid business activity (X7.7)
- Significant rise in private equity net revenue (X3.6)
- Media division has continued its transformation, with 7.4% increase in its revenue. The growth of subscribers and digital advertising, the cost containment and the pooling of business expertise at group level, allows new development perspectives
- "IT & logistics" segment was impacted by the Euro-Information Telecom session at the end of 2020

France & Germany represent 89% of the total net revenues

- France
- Germany
- Others



Activity

<sup>(1)</sup> excluding holding and intercompany transactions

# First-half 2021 results

Operational performance confirmed as a result of the continuous execution of our 2019-2023 Strategic Plan

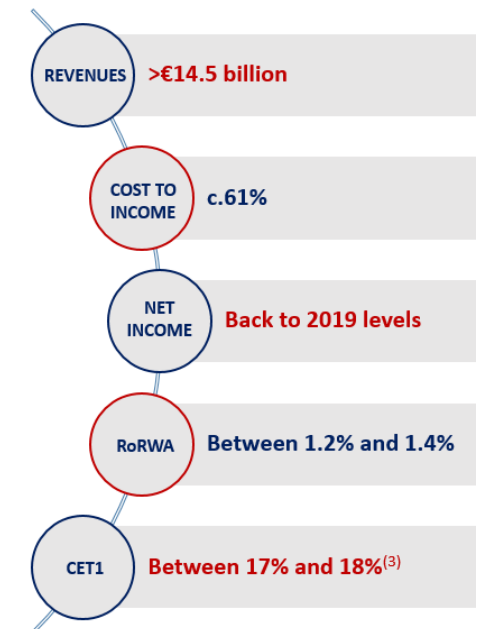
€million	June 2021	June 2020	$\Delta\%$ <sup>(1)</sup> at a constant scope	June 2019
<b>Net revenues</b>	<b>7,962</b>	<b>6,858</b>	<b>+17.2%</b>	<b>7,537</b>
<b>Operating expenses</b>	<b>-4,736</b>	<b>-4,552</b>	<b>+4.7%</b>	<b>-4,567</b>
Contribution to the Single Resolution Fund and supervisory costs <sup>(2)</sup>	-268	-238	+12.7%	-155
<b>Gross operating income</b>	<b>3,226</b>	<b>2,306</b>	<b>+42.3%</b>	<b>2,970</b>
<b>Cost of risk</b>	<b>-188</b>	<b>-1,046</b>	<b>-82.0%</b>	<b>-462</b>
Proven cost of risk	-320	-557	-42.3%	-438
Non proven cost of risk	+132	-489	n.s.	-25
<b>Income before tax</b>	<b>2,965</b>	<b>1,260</b>	<b>x2.4</b>	<b>2,528</b>
Income tax	-885	-402	x2.2	-899
Gain in discontinued activities	7	n.s.	n.s.	n.s.
<b>Net income</b>	<b>2,087</b>	<b>857</b>	<b>x2.5</b>	<b>1,629</b>

**Cost to income at 59.5%**

vs 66.4% in June 2020  
vs 60.6% in June 2019

**Financial targets for 2023**

→ recover 2019 levels by 2023



<sup>(1)</sup>Euro Information Telecom's exclusion from the consolidated scope as at the end of 2020.

<sup>(2)</sup>Supervisory costs: ECB Single Resolution Fund contribution, ECB controlling costs, Deposits guaranteed Fund, Controlling costs ACPR (Contribution), "Fonds de soutien aux collectivités territoriales", SRB (Single Resolution Board) administrative expenses, AMF contribution

<sup>(3)</sup>% at a constant regulatory scope

## FUNDING PROGRAM

Issuances plan 2021: **€10/12bn**

As at July 8<sup>th</sup>, 2021

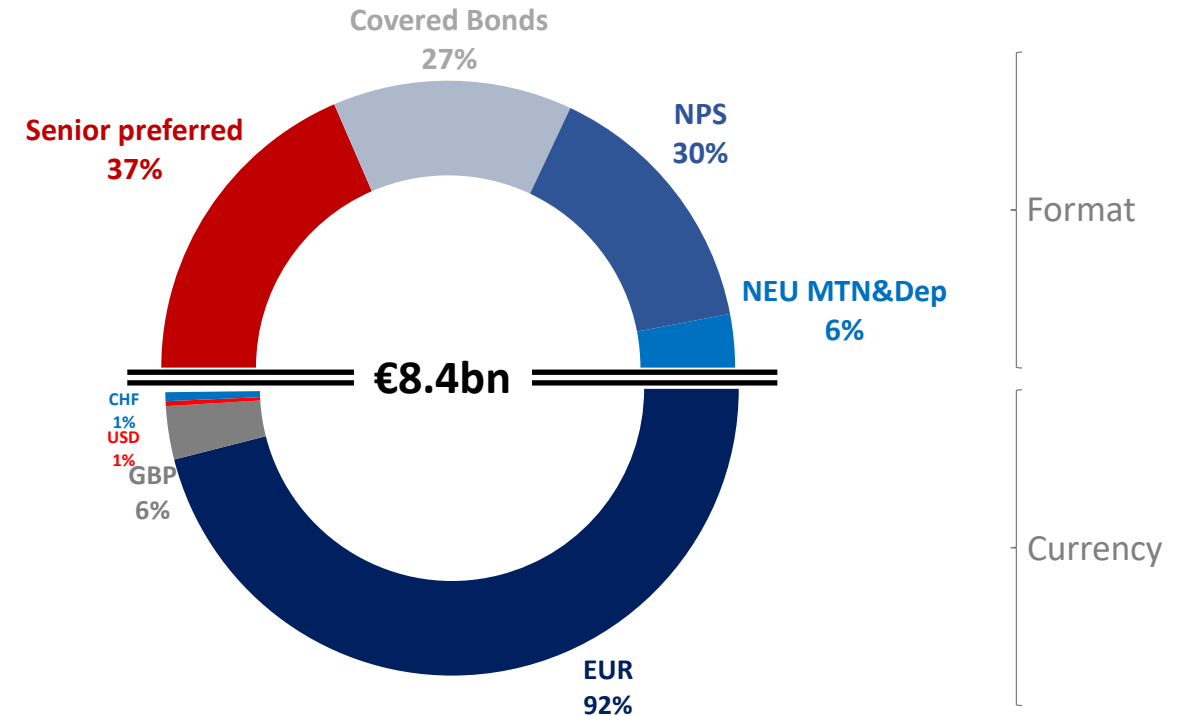
- **€8.4 bn** raised (c.76% of the program)
- average maturity: 7.05 years
- 9% of private placements

- CAPITAL/ MREL ELIGIBLE ISSUES

- AT1 not relevant
- NPS/T2: c.€3.0 bn to be raised

- TYPE OF DEBT TO ISSUE

- Covered bond benchmark in EUR
- Senior preferred:
  - EMTN (multi-currencies – green, social & sustainability)
  - US 144A
  - Samurai
- Non Preferred Senior in EUR



- 2021 main issues :**
- €1.0bn NPS 0.25% - 07/2028
  - £0.4bn Senior 0.875% - 12/2027
  - €1.5bn Senior 0.01% - 05/2026
  - €1.25bn Covered 0.01% - 05/2031
  - €1.5bn NPS 0.625% - 11/2028
  - CHF 0.16bn Senior 0.25% - 06/2029
  - €0.75bn Green Senior 0.25% - 06/2028**
  - €1.0bn Covered 0.01% - 07/2028

# Support for member-customers, employees and the economy

Crédit Mutuel Alliance Fédérale reached 27.4 million customers as of 30th June 2021 (+1.9% (+500,000))

## Customer proximity

**4.1 million**  
Client meetings  
(+8.5% vs H1-2019)

## Support measures by GACM<sup>(2)</sup>

**€600 million**  
will be invested in the  
“Fonds de Prêts Participatifs  
Relance” <sup>(1)</sup>  
by GACM

## Support to SMEs

**€50 million**  
“Jeunes Agriculteurs & Action  
Climatique”  
(2<sup>nd</sup> drawn)  
EIB initiative - June 2021

## Support to employees

Crédit Mutuel Alliance Fédérale  
renewed the profit-sharing  
agreement for 3 more years

More than **30,000** account  
managers mobilized within the  
Crédit Mutuel and CIC networks

No fee increase in 2021 for  
**1.6 million** health policyholders  
**3.0 million** automotive  
policyholders  
GACM initiative-June 2021

**€350 million**  
«COVID19 CRISIS RESPONSE FOR  
SME&MIDCAP”  
EIB initiative - June 2021

## Best employer in France

Crédit Mutuel et CIC

## Meilleurs employeurs de France

de la catégorie “Banque et services financiers”

Classement Statista publié dans Capital n°353, février 2021.



(1) Recovery Participating Loan Fund  
(2) GACM :Groupe des Assurances du Crédit Mutuel

# Digital & Data

Accelerating digital transformation – key axes of The 2019-2023 Strategic Plan

Omnichannel customer proximity reinforced by technological tools with the highest security standards

**122,000** (x4\*)  
Client video meetings in the first-half of the year

**789,000**  
Contracts generated using Artificial Intelligence & Big Data  
*86.5% of total client meetings*



**4.45 million users** (+24.0%)  
Crédit Mutuel & CIC  
Remote banking

**1 bn connections**  
on mobile apps or websites  
of Crédit Mutuel & CIC

**6,473,000** (+94.0%)  
Electronic signatures

**17% of sales**  
generated using Artificial Intelligence and Big Data  
in the networks

Robust investments in AI, Big Data & OCR has strengthened the client relationship & network efficiency

**€200 million**  
Investment in a specialized Data Center  
*operational in 2024*

Private, secured cloud set up

**Technological indicators in our 2019-2023 Strategic Plan**  
Update December 2020

**100%** current apps available in digital format

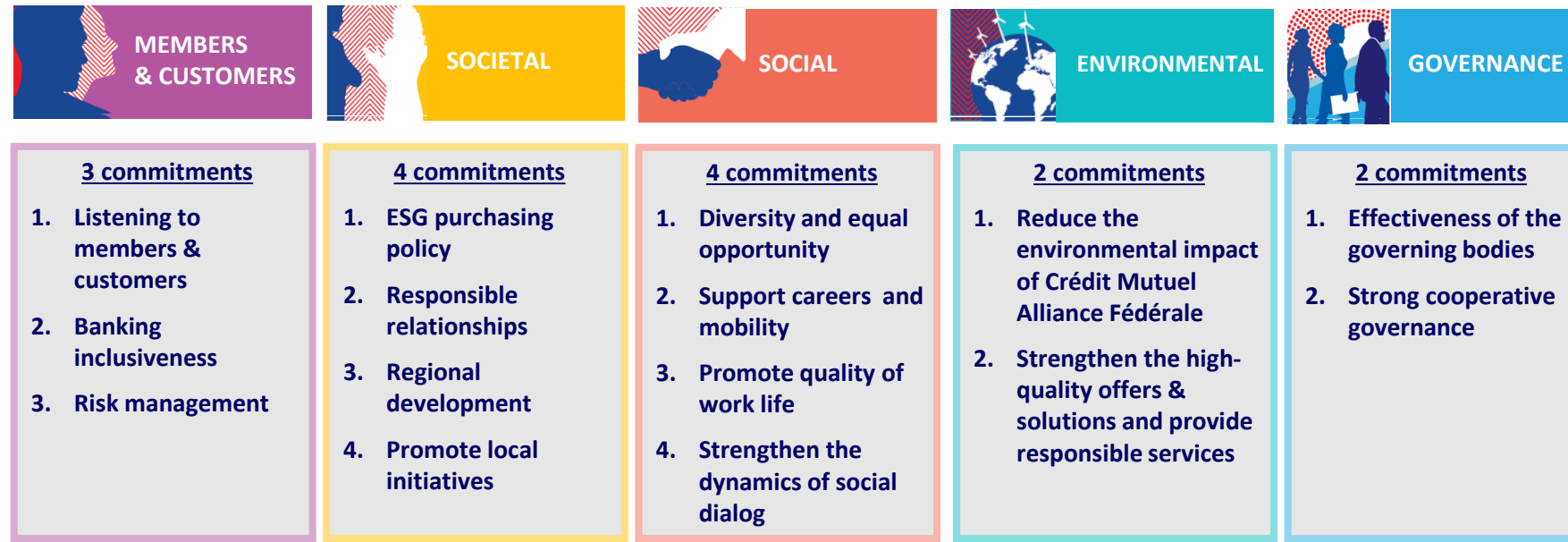
**>99.99%** in house IT processing

\* Vs Second-half 2020

# Social & Mutualist Responsibility

5 goals, 15 commitments & 250 projects

As a committed and socially responsible player, Crédit Mutuel Alliance Fédérale develops a policy of **Social Mutualist Responsibility** having Sustainable Development goals in:



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



Common decision amongst all Crédit Mutuel Alliance Fédérale entities



# Social & Mutualist Responsibility: ambitious approach

Crédit Mutuel Alliance Fédérale  
the first “mission-driven bank”

March 2021: Establishment of  
“Fondation Credit Mutuel Alliance Fédérale”  
financed by a contribution based on  
the Group’s carbon footprint



Leading player in the  
shift towards a  
low-carbon economy

## 2020 commitments:

- Zero coal exposure in financing and investment portfolios **by 2030**.
- Discontinuation of financing for projects related to the exploration, production, transport infrastructure or processing of non conventional hydrocarbons.



**In October 2020, BFCM launched its green, social & sustainability bond program**  
included in the Bloomberg Barclays MSCI Green Bond Index: December 2020 Rebalancing  
**In June 2021, BFCM issued its second green bond**

## 2021 new policy:

- « **Mobility** » aims to support the energy transition in the transport industry (transport by air (airlines and aircraft purchases), sea (shipbuilding and shipbreaking) and road (vans and trucks)).
- This policy plans to ensure that the banking group finances only the most carbon-neutral assets. This policy will be reviewed each year to increase the application’s perimeter.

## SMR targets in our 2019-2023 Strategic Plan

Update December 2020

100% of employees trained to adapt to changes

50/50 gender equality in leadership and governance

>90% Membership rate

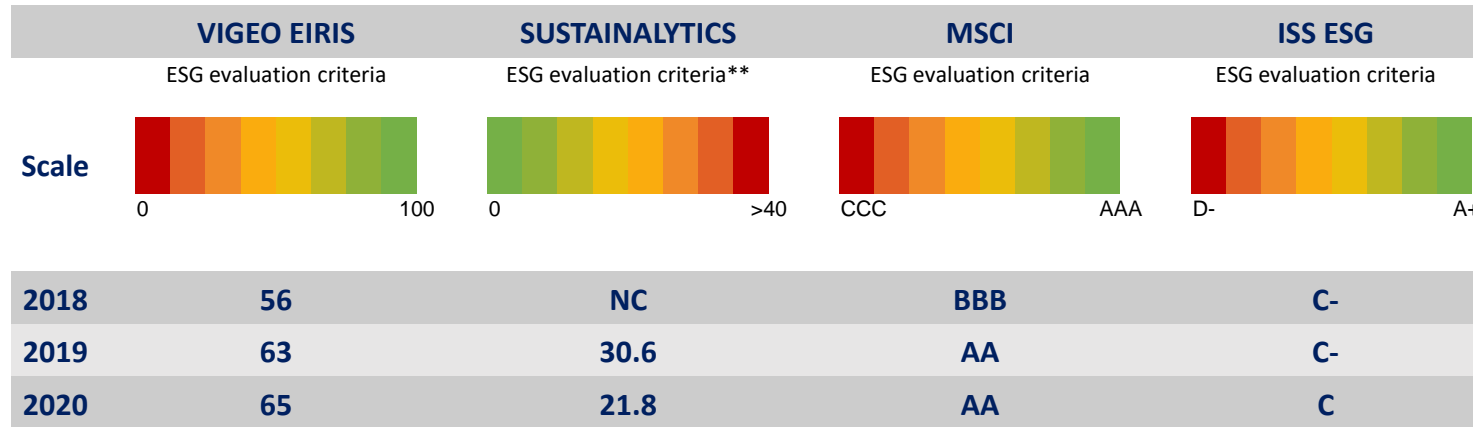
30% reduction in the Group’s carbon footprint

30% increase in the financing of projects with a significant climate impact

15% reduction in carbon footprint of the corporate credit, asset management and insurance portfolio

# Extra-Financial Ratings

Enhancement of our extra-financial ratings



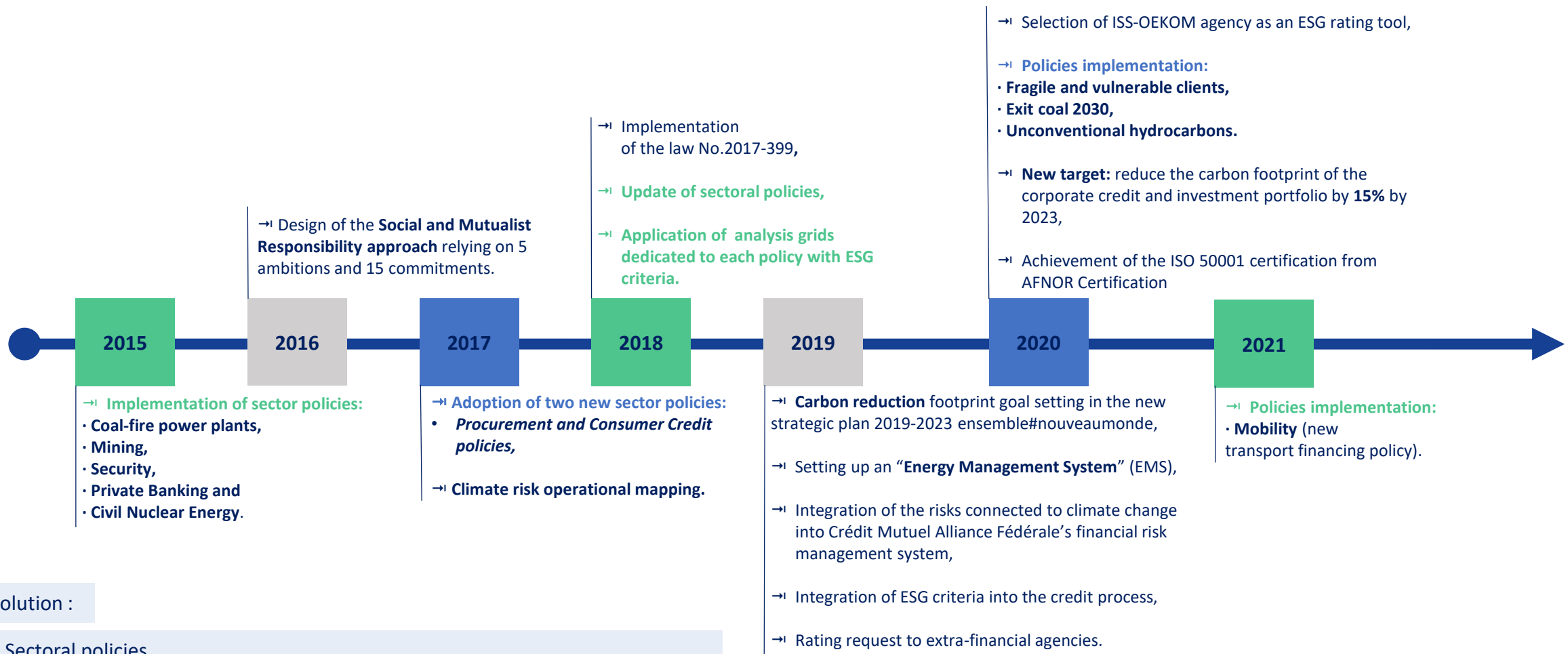
- In 2021, Crédit Mutuel Alliance Fédérale obtained a **C** rating from ISS Oekom and was awarded the **“prime” status reserved for the best-rated companies in their industry\*\*\***.
- With a score of 65/100, Vigeo’s assessment confirms Crédit Mutuel Alliance Fédérale’s ranking as the **fifth best-rated European bank**.
- Sustainalytics consolidated the Group’s position with a **moderate ESG risk**.

\* 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.

# Timeline of our SMR policy implementation



## 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.

# Our coal policy



## COAL

### Companies on the Global Coal Exit List (417 companies)

- Immediate freeze on banking operations, projects and investment financing.
- Immediate closure from insurance, asset management and trading activities.

### Other companies in the sector

- Definition of "carbon activity thresholds"
- Closure of outstanding corporate and financing projects up to 2030.
- No new credit lines or renewal of existing lines for entities that are not publicly engaged with decarbonisation.

### Relevant action

February 2020

Crédit Mutuel Asset Management and the insurance entities sold **all their market position** (worth more than €400mn) in companies that had high and direct carbon footprint.

### New ambition in our strategic-plan:

**15%** reduction in carbon footprint of the corporate credit, asset management and insurance portfolio.

Through this objective, Crédit Mutuel Alliance Fédérale has set itself tangible commitments to meet the guidelines of the **Paris Agreements on climate change, which aim to limit the increase in temperatures of 1.5 and 2 °C by 2100.**

**Confédération Nationale du Crédit Mutuel: First French mutualist bank signing the Net-Zero Banking Alliance hosted by the United Nations Environment Programme Finance Initiative to join forces behind a common goal: steer the global economy towards net-zero emissions and deliver the Paris Agreement goals (July 2021)**

**Zero coal exposure in financing and investment portfolios by 2030 for all countries in the world.**

#### Upper limit :

Annual coal production < 10MT,  
Installed capacities based on coal < 5GW.

#### Relative limit of application :

Coal's share of turnover < 20%,  
Share of coal in the energy mix < 20%.

**Immediate exclusion criterion: presence on the Coal Global Exit List - Coal Developer (417 companies)**



## NON-CONVENTIONAL HYDROCARBONS

- **Discontinuation of financing for projects related to the exploration, production, transport infrastructure or processing of :**
  - Shale oil or shale gas,
  - Oil from oil sands,
  - Heavy and extra-heavy oil,
  - Oil extracted in the Arctic.
- **Ongoing analysis of the criteria to be implemented to support companies in the progressive phase-out of non-conventional hydrocarbons.**

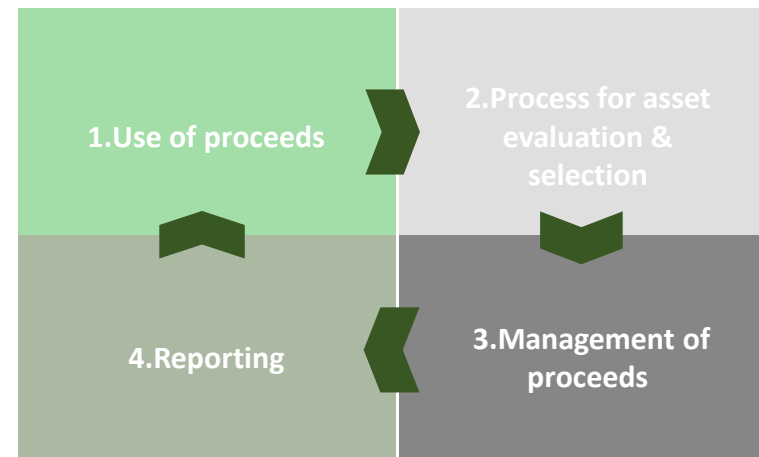
As part of its *ensemble#nouveau monde* strategic plan, Crédit Mutuel Alliance Fédérale is setting up its Green, Social and Sustainability Bond Framework

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

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

## Crédit Mutuel Alliance Fédérale's Framework is established in accordance with :

- the **ICMA Green Bond Principles 2018, Social Bond Principles 2020 and Sustainability Bond Guidelines 2018**,
- the **EU Green Bond Standard**,
- the recommendation of the **Technical Expert Group** final report on the EU Taxonomy,
- Vigeo Eiris was commissioned to provide a Second Party Opinion.



Framework













# Our Green, Social and Sustainability Bond Framework



# Use of proceeds

The Framework supports the Group's effort in financing green and social activities, in line with its DNA as a mutualist group

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

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

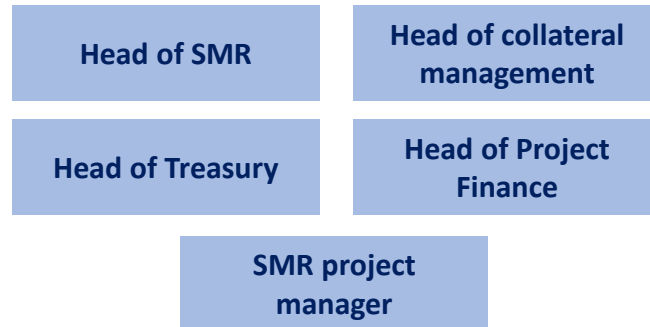
## Exclusion criteria

**Inaugural green bond** ✓

- 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

# Process for asset evaluation and selection

## Composition of the committee



## Committee meets at least every quarter

- Supervises the evaluation and selection of eligible loans to ensure the effective implementation of such process
- Monitors the outstanding balance of the portfolio of eligible loans
- Secures the full allocation of the bonds
- Coordinates the publication of the annual reporting

## Process

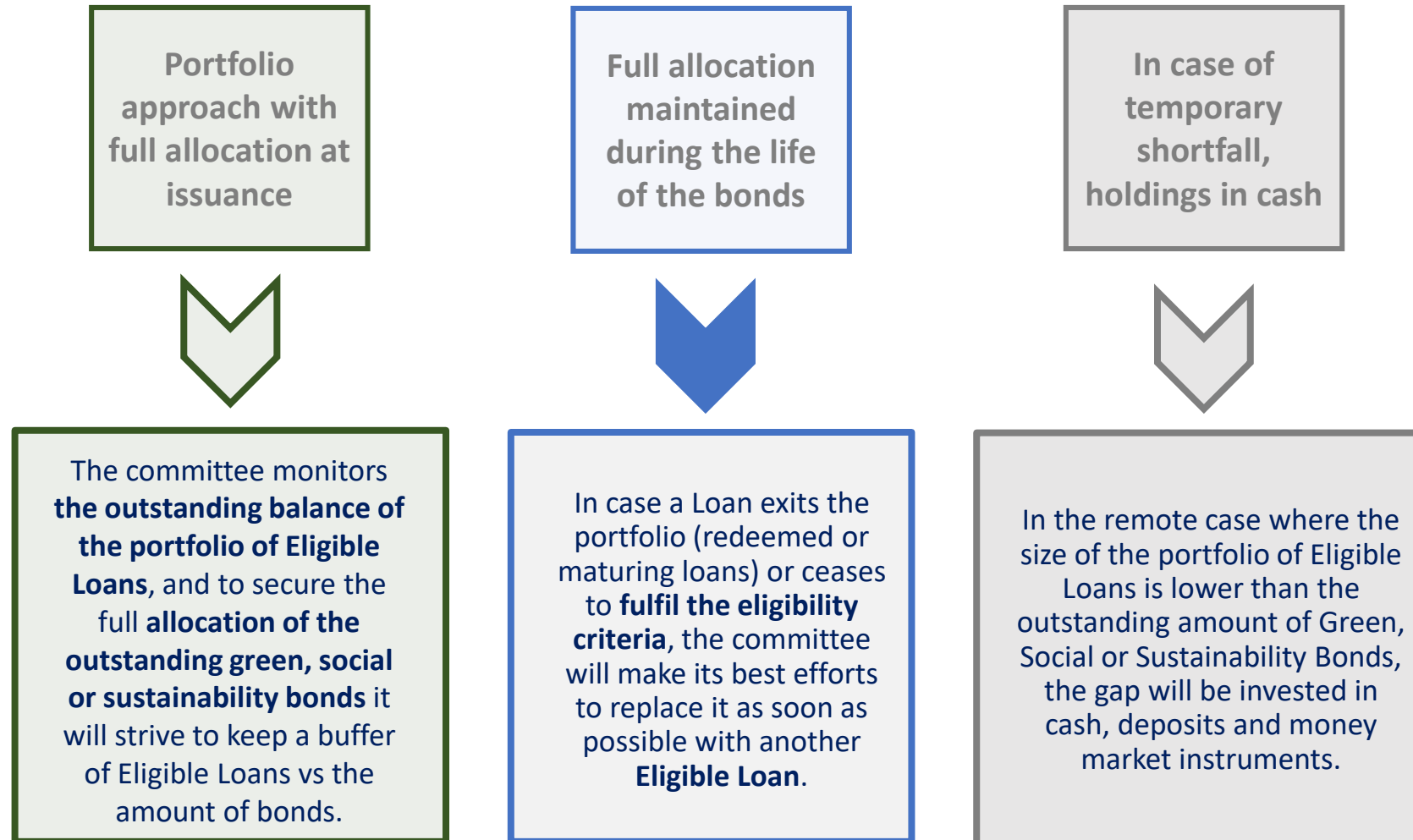
**Overarching risk process** : all loans are subject to standard credit process, which includes KYC, Compliance, Credit Risk analysis

### Extra-financial risk management:

- ✓ Loans are subject to **sector policies** on coal and non conventional hydrocarbons, fossil fuels, mining, civil nuclear power, defense and security. Analysis grids integrate counterparties' non-financial ratings which are analyzed when the decisions to grant banking and financial transactions are taken
- ✓ Loans are subject to **specific analysis grids for sectors placed on watch**, including chemical, derivatives, tobacco, forestry and agri-food industries. Decision-support grid also integrates an analysis of the counterpart's ESG policy

**Selection of Eligible loans**, which are subject to Eligibility Criteria and Exclusion Criteria (sector exclusion, country exclusion, financial exclusion)

# Management of proceeds designed to secure full allocation



→ Annual reporting, until maturity of the relevant Green, Social or Sustainability bonds, on the single portfolio of the Eligible Loans is published on BFCM's website

## ALLOCATION

- Amount outstanding of the Green, Social or Sustainability Bond proceeds,
- Balance of unallocated proceeds at the reporting end-period (if any),
- Breakdown of the total amount of the portfolio of Eligible Loans per category,
- Breakdown by country.

## IMPACT

- For Green categories, estimated annual GHG emissions reduced/avoided (in tons of CO<sub>2</sub> equivalent),
- For Social categories, output indicators (number of beneficiaries),
- The methodologies and assumptions used to determine the indicators will be provided.

→ Annual reporting is reviewed by external auditor

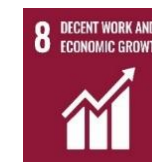
## Second Party Opinion July 2020

Vigeo Eiris was commissioned to provide an independent opinion (thereafter “Second Party Opinion” or “SPO”) on the sustainability credentials and management of the Green, Social and Sustainability Bonds (“Bonds”) to be issued by Banque Fédérative du Crédit Mutuel (“BFCM”) and / or Crédit Mutuel Home Loan SFH (together referred as the “Issuer”) in compliance with the Green, Social and Sustainability Bond Framework (the “Framework”) created to govern their issuances.

**“Vigeo Eiris is of the opinion that the Green, Social & Sustainability Bond Framework of Crédit Mutuel Alliance Fédérale is aligned with the four core components of the Green and Social Bond Principles. We express a reasonable assurance (our highest level of assurance) on the Issuer’s commitments and on the contribution of the contemplated Bonds to sustainability. “**



The Eligible Categories are likely to contribute to seven of the United Nations’ Sustainable Development Goals (“SDGs”):



**“For categories aiming at environmental objectives (Green Buildings, Renewable Energy, Low Carbon Transport), the Issuer has aligned its definitions and eligibility criteria to the Technical Screening Criteria outlined in the Technical Annex of the Technical Expert Group final report on the EU Taxonomy published in March 2020, and commits to respect the technical thresholds as set out by the Expert Group in the mentioned Annex.”**

→ Crédit Mutuel Alliance Fédérale has prepared this Green, Social and Sustainability Bond Framework in accordance with the ICMA Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines 2018.

→ The Framework has been designed to comply with the draft EU Green Bond Standard (the “EU GBS”), when relevant and feasible.





Banque Fédérative du Crédit Mutuel

BFCM

Year ended December 31, 2020

One of the statutory auditors' report on the compliance of the assets selected for the 2020 Green Bond with Crédit Mutuel Alliance Fédérale's Green, Social and Sustainability Bond Framework, on the impact reporting provided to investors and on the management of the net proceeds

ERNST & YOUNG et Autres

In our capacity as statutory auditor of BFCM, we hereby present our report on (i) the compliance of the selected assets, reported in Banque Fédérative du Crédit Mutuel 's annual use of proceeds reporting of the 2020 Green Bond (as of December 31, 2020 and available on BFCM's website), with Crédit Mutuel Alliance Fédérale's Green, Social and Sustainability Bond Framework (as of September 2020 and available on BFCM's website), (ii) the impact reporting of these proceeds and (iii) the management of the net proceeds.



**“Conclusion:**

***In our opinion, the assets selected for the 2020 Green Bond and the impact indicators mentioned in the 2020 annual use of proceeds reporting, comply, in all material aspects, with Crédit Mutuel Alliance Fédérale's Green, Social and Sustainability Bond Framework.”***

# Overview of the eligible green portfolio

➤ The eligible loans in the Green Buildings and Renewable Energy categories positively contribute to the EU Environmental Objective “Climate Change Mitigation” by reducing and avoiding GHG emissions

- **On- and offshore wind energy:** facilities operating at life cycle emissions lower than 100gCO<sub>2</sub>e/kWh, declining to 0gCO<sub>2</sub>e/kWh by 2050



- **Residential Buildings** built before 31 December 2020 within the top 15% of the local existing stock in terms of operational Primary Energy Demand, expressed as kWh/m<sup>2</sup> per year



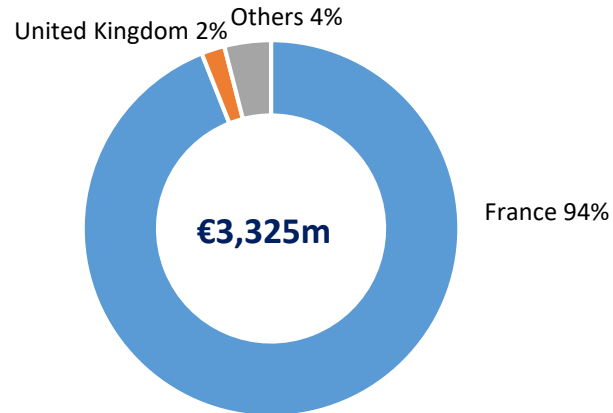
- **Solar Energy:** facilities operating at life cycle emissions lower than 100gCO<sub>2</sub>e/kWh, declining to 0gCO<sub>2</sub>e/kWh by 2050



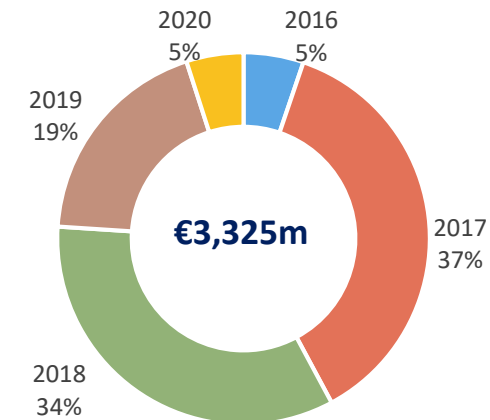
# Overview of the portfolio of Eligible Loans

Overall, BFCM Green Bond portfolio had a total outstanding amount of **€3,325 million** at December 31st 2020, financing assets mainly located in France (94% of total value). Most of the portfolio loans (71% of outstanding debt) were distributed between 2017 and 2018.

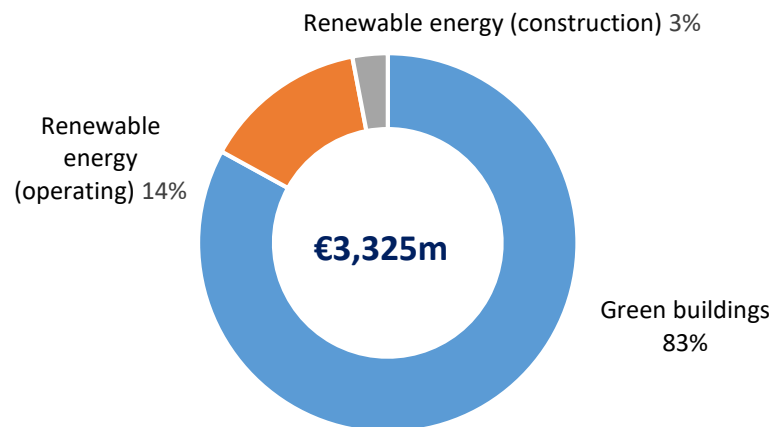
Outstanding debt by country



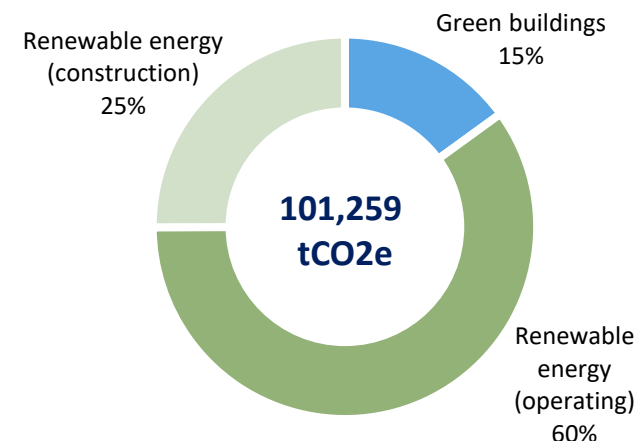
Outstanding debt by contract opening year



Green portfolio mix - outstanding debt



Avoided emissions of portfolio assets (tCO2e/year)



Calculation methodology is available on our website

(\*) Others: Canada, Netherlands, Chile, Belgium, USA, Spain

# Overview of the portfolio of Eligible Loans

Crédit Mutuel Alliance Fédérale		Indicators			
		For the total projects	Pro-rata Crédit Mutuel Alliance Fédérale	Stage of development Estimated Annual tCO <sub>2</sub> e avoided	
Category	Outstanding Amount	Expected Annual Energy Production	Estimated Annual tCO <sub>2</sub> e avoided	In operation	Under construction
	EUR	GWh	tCO <sub>2</sub> e	tCO <sub>2</sub> e	tCO <sub>2</sub> e
<b>Renewable energy</b>	<b>567,564,109</b>	<b>14,892</b>	<b>86,011</b>	<b>60,558</b>	<b>25,453</b>
Wind Offshore	122,985,880	9,556	25,560	243	25,317
Wind Onshore	400,683,752	4,684	38,763	38,627	136
Solar PV	43,894,477	651	21,688	21,688	0

Category	Number of green buildings	Outstanding Amount	Primary Energy Savings	Estimated Annual tCO <sub>2</sub> e avoided
		EUR	kWh/m <sup>2</sup> /year	tCO <sub>2</sub> e
<b>Green Residential buildings</b>	<b>20,758</b>	<b>2,757,840,679</b>	<b>Average of -180.2</b>	<b>15,248</b>
Multi-family	11,706	1,544,137,929	-178.3	7,245
Single-family	9,052	1,213,702,750	-181.4	8,003
<b>Total</b>		<b>3,325,404,788</b>		<b>101,259</b>

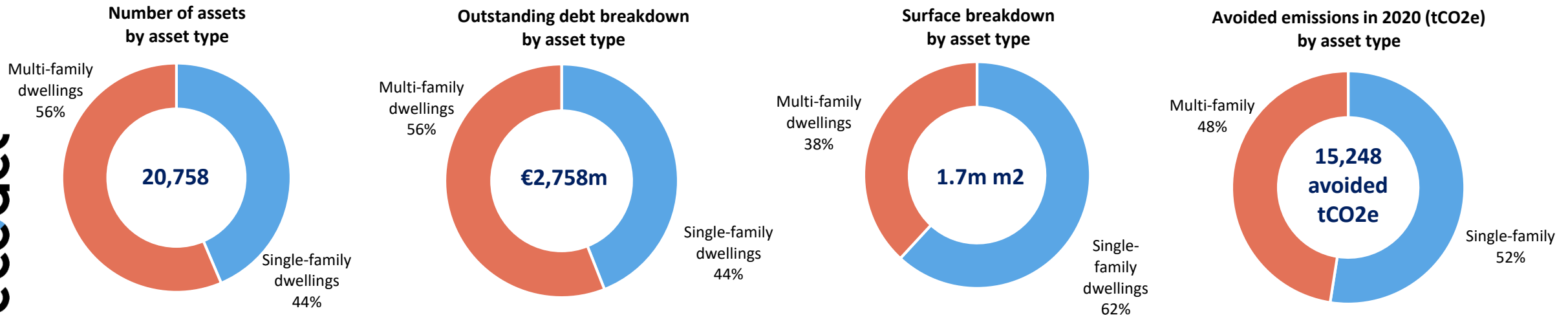
# Impact of residential green buildings eligible loans

At the end of the reporting period (December 31st 2020), the portfolio comprised **20,758 green buildings**, for a total outstanding debt of **€2,758 million** and a floor area of close to **1.73 million m2**.

It contributed to avoid **15,248 tCO2e** during the reporting period.

Portfolio's single-family dwellings are, on average, more spacious than multi-family dwellings (118 m2 vs 56 m2), which explains why avoided emissions associated to single-family dwellings are slightly larger in absolute value (52%).

ecoact



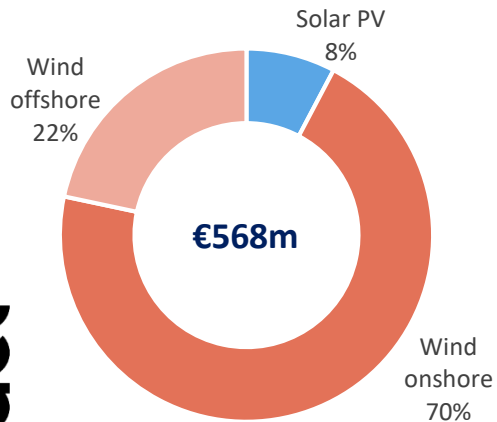
# Impact of renewable energy eligible loans

The portfolio of renewable energy comprises **170** wind and solar farms (operating and under construction), with a total outstanding debt of **€568 million**. Overall, total outstanding debt contributes to avoid **86,011 tCO<sub>2</sub>e** of potential GHG emissions annually.

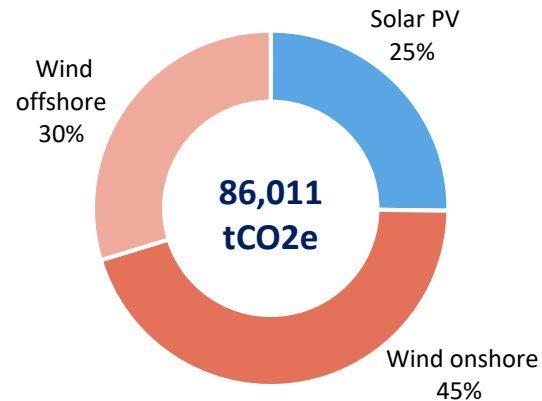
Portfolio average intensity is **152 tCO<sub>2</sub>e** of emissions avoided per €M of financing (outstanding).

ecoact

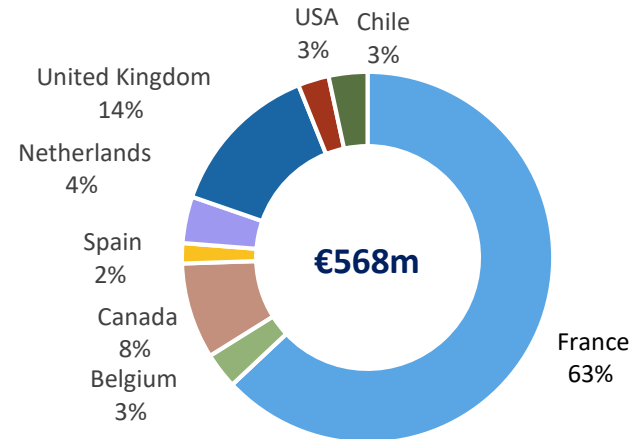
Portfolio Outstanding debt  
Breakdown by technology



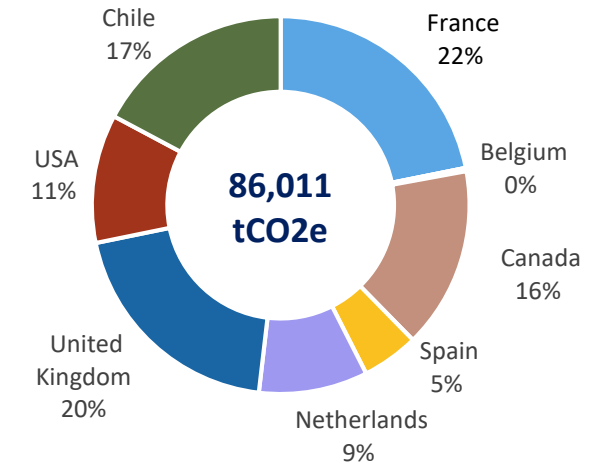
Overall yearly avoided emissions  
(construction and operating)  
Split by technology



Portfolio Outstanding debt  
Breakdown by location



Overall yearly avoided emissions  
(construction and operating)  
Split by country

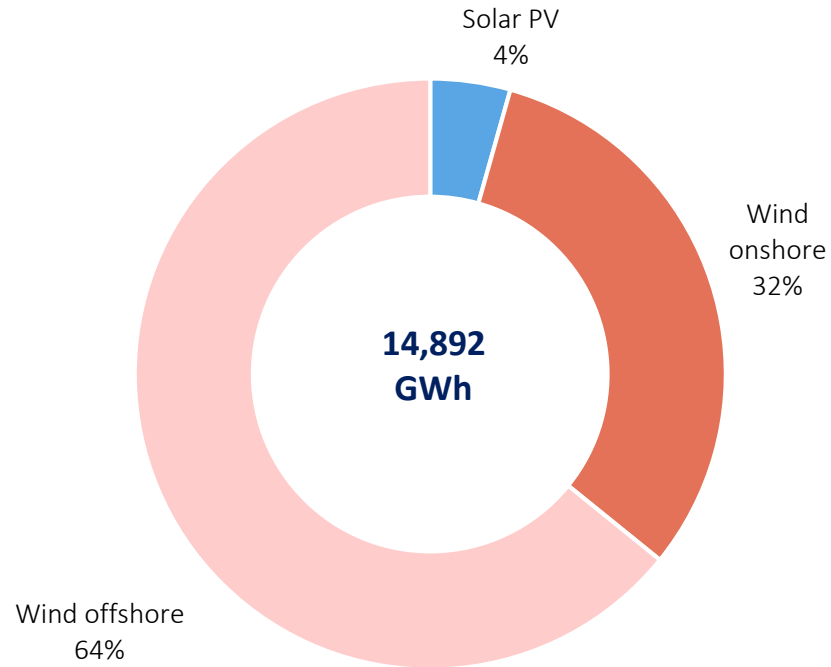




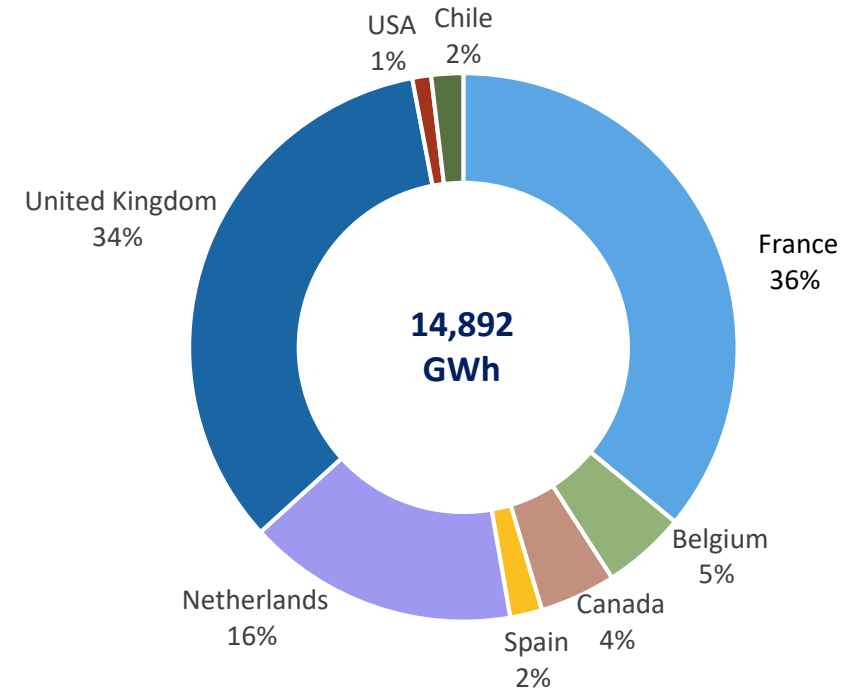
**Yearly renewable energy generation – Project level**  
Energy expected to be generated annually by all the projects in portfolio

**ecoact**

**Portfolio expected energy generation (P90) at project level, split by technology**



**Portfolio expected energy generation allocated to issuer (P90) split by country**



# Green asset: wind and solar power plants in France



**Supporting Boralex ambitious growth strategy by optimizing its operation and its financing**

→ CIC roles : Co-Lead Arranger and Agent.

→ This also highlights the strong cooperation between Boralex and CIC who have been working together on renewable energy projects both in France and Canada since 2015.

## BROME

- **Assets:** portfolios of 58 wind and 2 solar power plants (1 GW)
- **Location:** throughout France including 25 in Region Hauts de France
- **Total debt amount:** €1.1 billion (largest refinancing arrangement in France)
- **Description:** refinancing of all Boralex's wind and solar assets in France. Boralex develops, builds and operates renewable energy power facilities in Canada, France, the UK and the US. It is a leader in the Canadian market and France's largest independent producer of onshore wind power.
- **Timing:** all plants are now in operation

# Green asset: offshore wind farm in France



## Financing of the first offshore wind farm in France

→ CIC role: Lead Arranger

→ CIC is supporting a landmark project, which paves the way for next offshore wind projects in France.

## ST NAZAIRE

- **Assets:** 480MW offshore wind farm comprising 80x GE 150-6MW wind turbines that will be built in the General Electric factory located in Saint Nazaire
- **Location:** located 12km off the west coast in the Bay of Biscay
- **Total debt amount:** €2.3 billion
- **Description:** financing of the first offshore wind farm to be developed in France, jointly owned by EDF Renewables and Enbridge, a Canadian infrastructure company, with an installed capacity of 480MW. The Saint Nazaire project will generate the equivalent of 20% of the Loire-Atlantique area's electricity consumption needs.
- **Timing:** construction started in September 2019. Production should start mid 2022.

## BFCM GREEN, SOCIAL AND SUSTAINABILITY BOND FRAMEWORK INVESTOR PRESENTATION

# Appendices

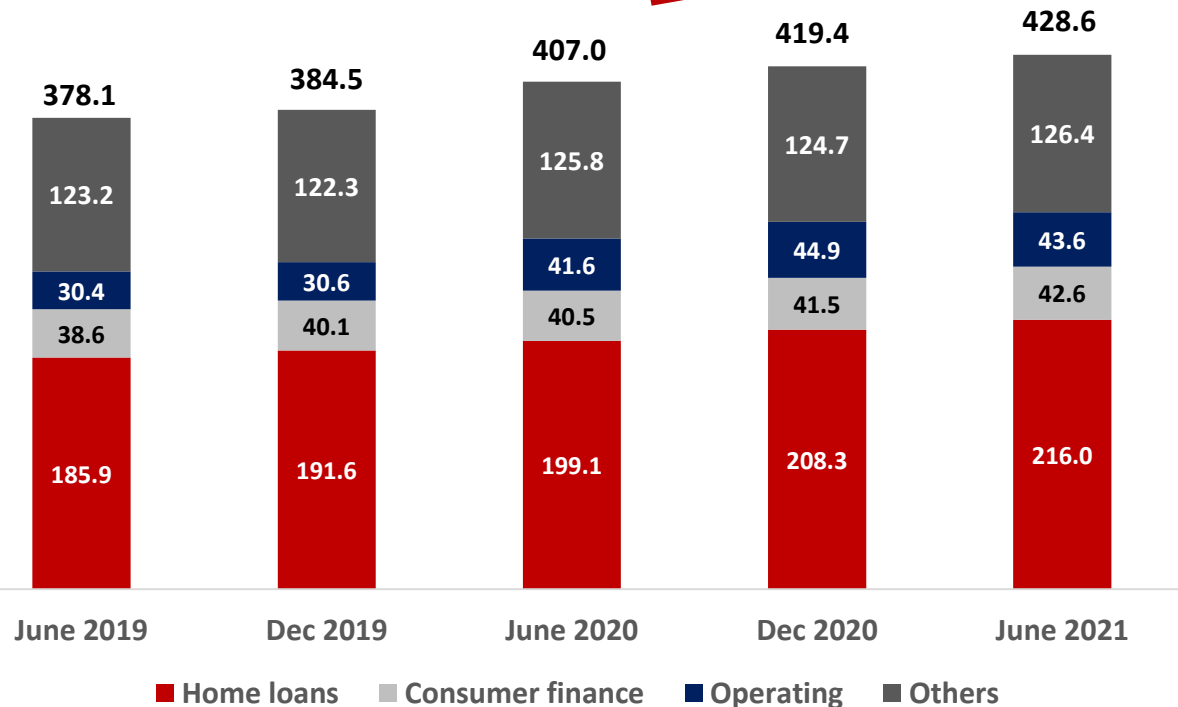


# Loans & Deposits Breakdown

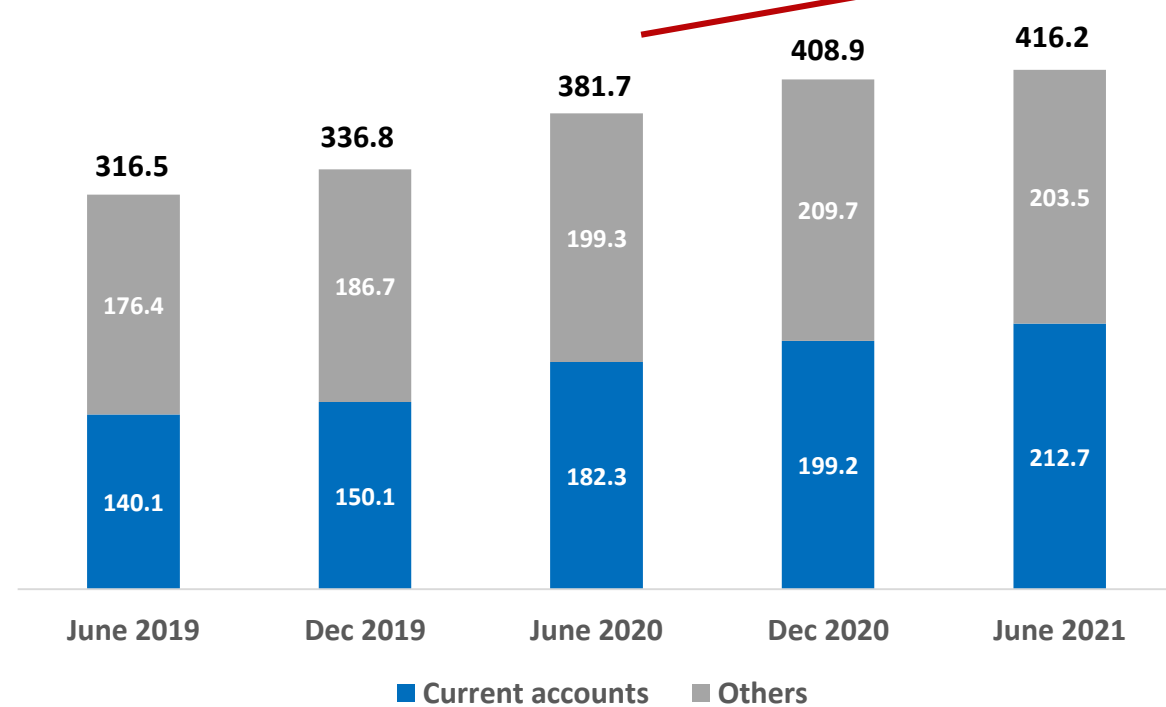
Strong retail banking activity with a **5.3%** increase in loans driven largely by a good dynamic in individual mortgages (+8.5%), consumer finance (+5.1%) & operating loans (+4.7%)

A sharp rise in outstanding deposits (+9.1%), mainly in current accounts (+16.8%) & passbook accounts (+10.5% at €39bn)

Outstanding loans (in €bn) **+5.3%**



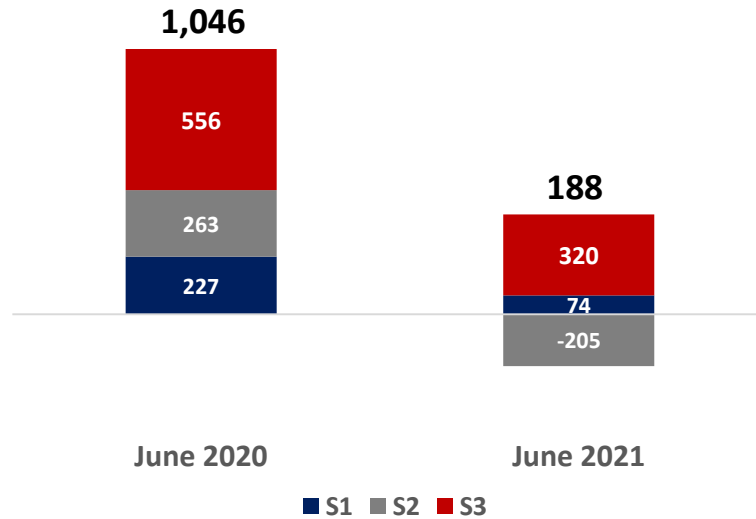
Outstanding deposits (in €bn) **+9.1%**



# Customer cost of risk

€188 million cost of risk vs €1,046 million in H1-2020

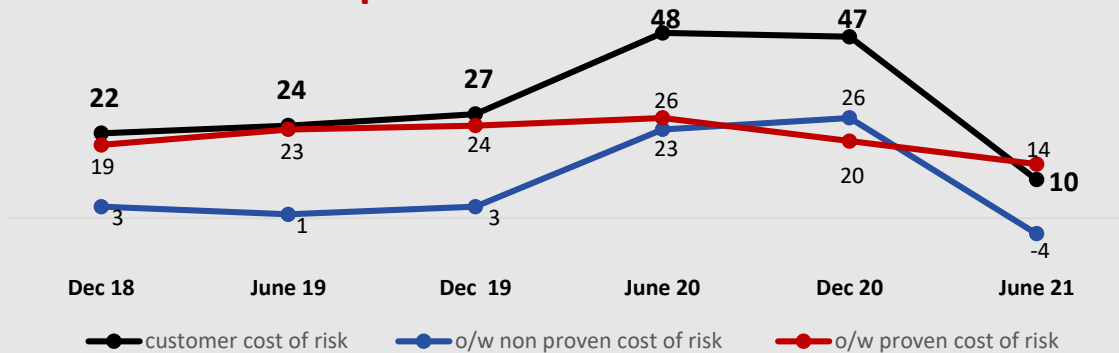
Cost of risk (in €million)



## Cost of risk at 10 bp vs 48 bp in H1-2020 & 24 bp in H1-2019

- A decrease driven by a better macroeconomic outlook and the continuation of the government support to the economy
- Non proven cost of risk recorded a **€132 million** net loan loss release driven by a decrease in S2 outstanding loans leading to write-backs of sector provisions
- **€320 million** of proven cost of risk decreasing €237 million vs H1-2020
- Retail networks and Corporate Banking recorded net loan loss releases
- Cost of risk of Targobank Germany & Cofidis Group lower than H1-2019 levels (Cost of risk in bp)

## Cost of risk in basis points

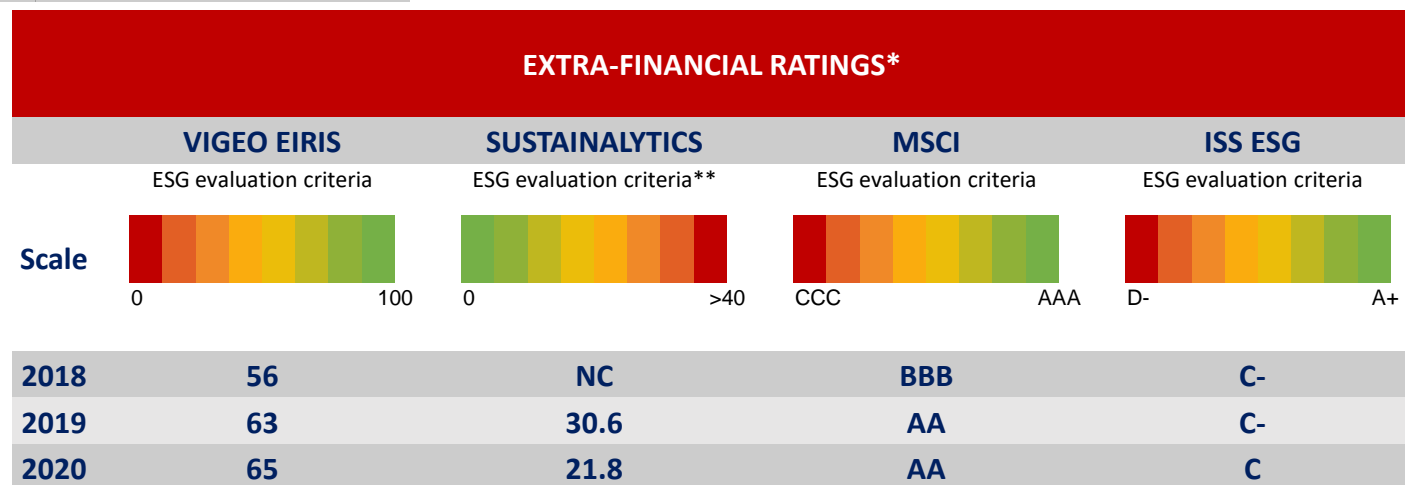


RATINGS			
	MOODY'S <sup>(4)</sup>	S&P <sup>(3)</sup> June 2021	FITCH RATINGS <sup>(2)</sup>
Senior-Preferred-Unsecured	Aa3	A	AA-
Outlook <sup>(1)</sup>	stable	stable	negative
Senior-Non-Preferred	A3	A-	A+
Tier 2	Baa1	BBB+	A-
Senior-Preferred-Short-Term Debt	P-1	A-1	F1+
<b>Intrinsic Rating</b>	Adjusted Baseline Credit Assessment (Adj BCA) <b>a3</b>	Stand Alone Credit Profile (SACP) <b>a</b>	Viability Rating (VR) <b>a+</b>

→ July 13<sup>th</sup> 2021 , Moody's rating action:  
The BFCM's "Senior Non Preferred" debts were upgraded from Baa1 to A3 by Moody's following a change in their methodology on subordinated debt ratings.

→ June 24<sup>th</sup> 2021, S&P rating action:  
S&P upgraded Credit Mutuel outlook from negative to stable

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) Following the COVID-19 crisis: IDR remains at A+, outlook revised to negative as at March 2020  
(3) Rating affirmed and outlook revised to stable as at June 2021  
(4) Moody's upgraded the junior senior unsecured debt rating to A3 from Baa1 as at July 2021

\* 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).



### “Together, listening and acting”

Crédit Mutuel Alliance Fédérale  
the first mission-driven bank  
*“Raison d’être”*

### Sectoral policies

**Leading player in the shift towards a  
low-carbon economy**

### Foundation

Establishment of  
“ Fondation  
Crédit Mutuel Alliance Fédérale”  
financed by a Group’s tax  
carbon contribution



**Strategic plan 2019-2023**  
reviewed in summer 2020  
endorsed in December 2020  
**ensemble#nouveaumonde**  
*“plus vite, plus loin !”*



Following discussions with its elected directors and employees, Crédit Mutuel Alliance Fédérale has adopted the status of mission-driven company with a “Raison d’être” and five missions



“Together, listening and acting” to carry out five missions that are now an integral part of the strategic plan ensemble#nouveaumonde

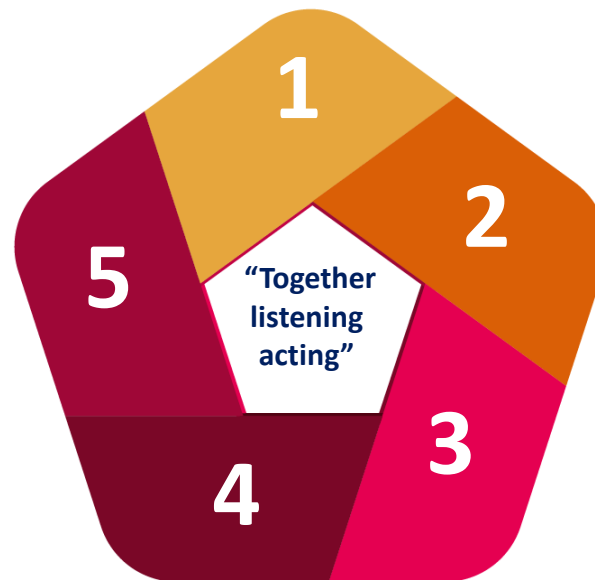
1- A cooperative and mutualist organization, we support our customers and members to the best of their interests.

2- A bank for everyone, members and customers, employees and elected directors, we act on behalf of each person and reject discrimination in any form.

3- Respectful of each person's privacy, we make sure that technology and innovation benefit people.

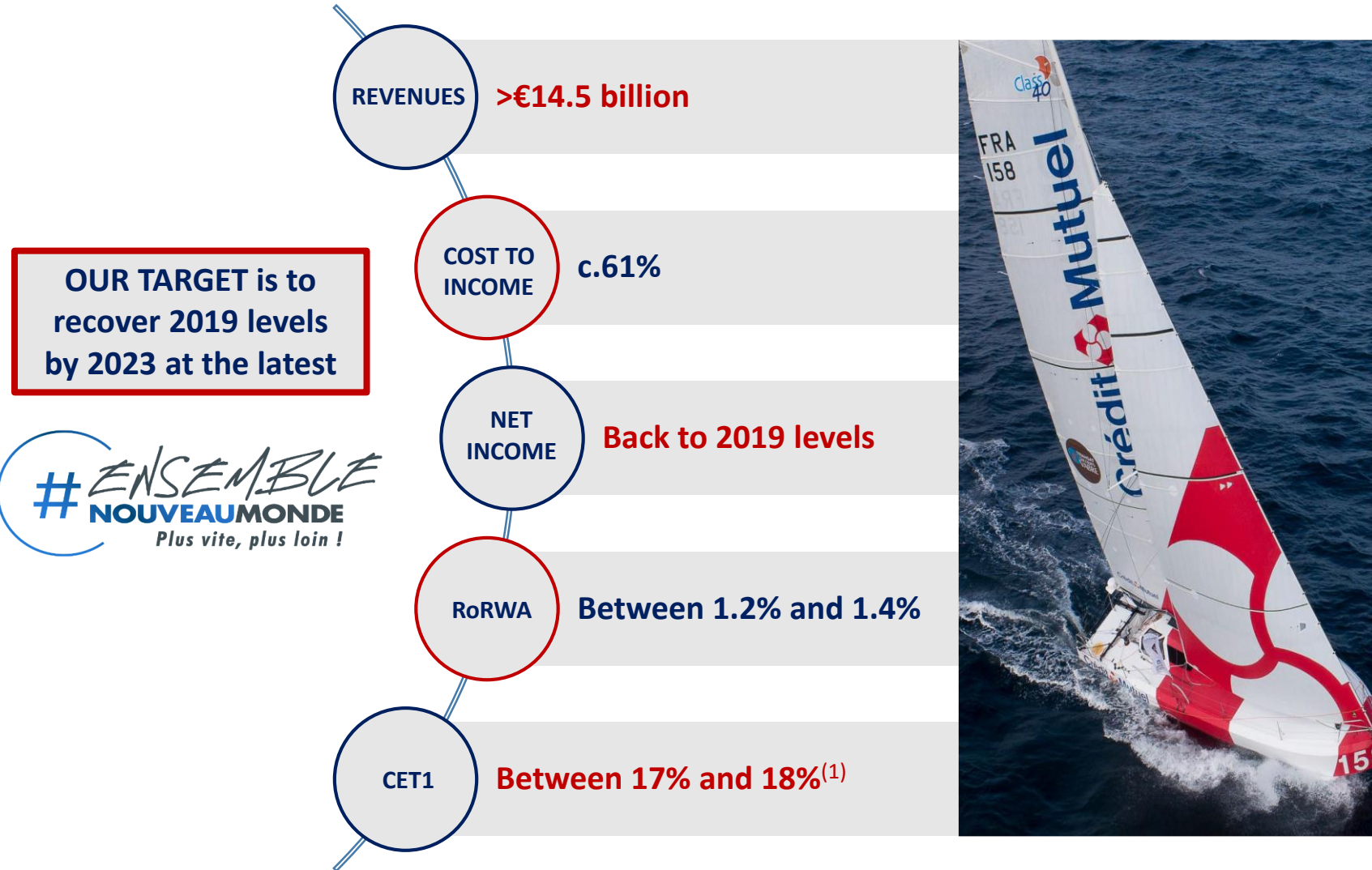
5- A community-oriented company, we contribute to regional development.

4- A responsible company, we strive for a fairer, more sustainable society.





# Strategic Plan Financial Targets



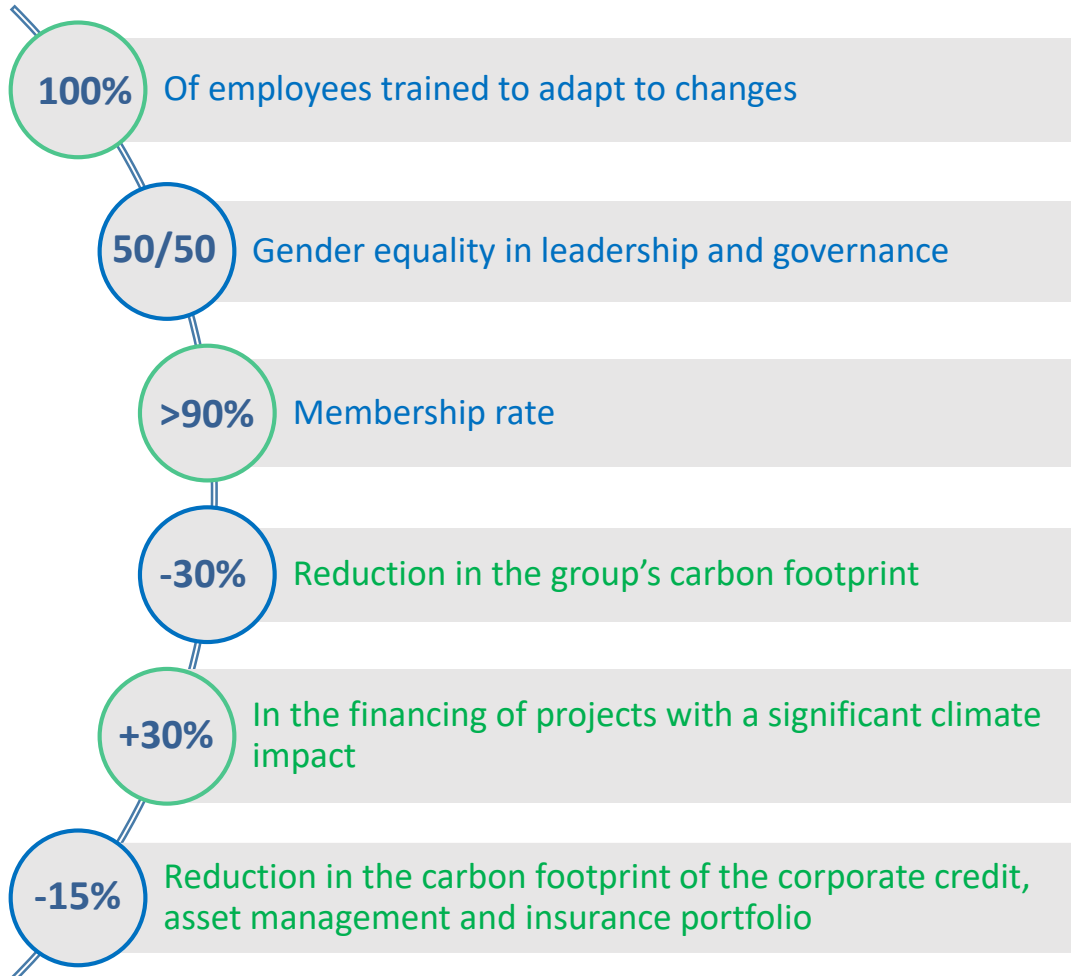
(1) excluding transitional measures



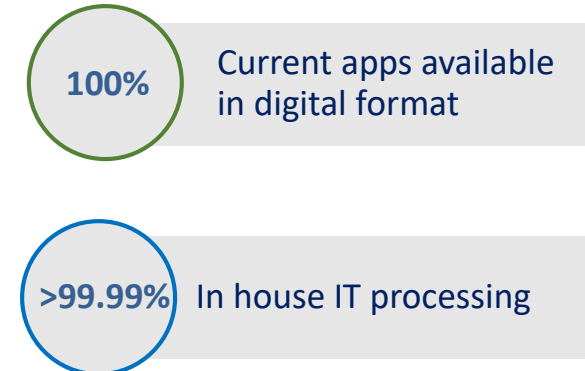
# Mutualist & community development ambitions

## Technological indicators Breakdown

### Mutualist & community development ambitions



### Technological indicators



# Establishment of Fondation Crédit Mutuel Alliance Fédérale financed by a contribution based on the Group's carbon footprint

## Internal Carbon Footprint Contribution Mechanism

1

Calculation of the carbon footprint based on the energy usage and business travel, for each federation, regional bank and subsidiary in tons of CO2.



**To contribute to the achievement of our target:**  
**30%** reduction in the Group's carbon footprint

2

Calculation of a monetary contribution based on the carbon footprint of each entity.



3

Donations to finance projects with a positive climate impact.

Creation of:  
Crédit Mutuel Alliance Fédérale  
Foundation  
in March 2021



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