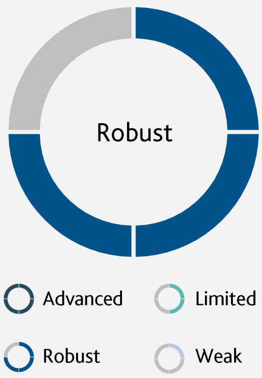
SECOND PARTY OPINION

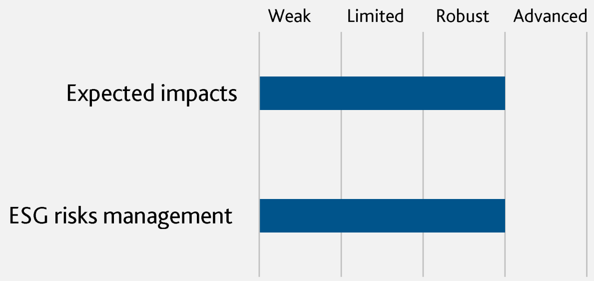
on the sustainability of Crédit Mutuel Alliance Fédérale's Green, Social and Sustainability Bond Framework

Moody's ESG Solutions considers that Crédit Mutuel Alliance Fédérale's Green, Social and Sustainability Bond Framework is aligned with the four core components of the ICMA's Green Bond Principles ("GBP") and Social Bond Principles ("SBP") 2021.

Framework

Contribution to Sustainability:





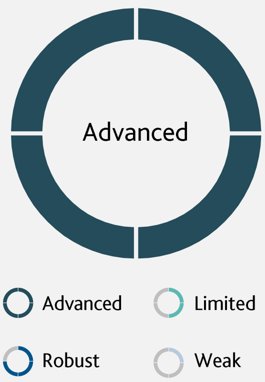
SDG Mapping

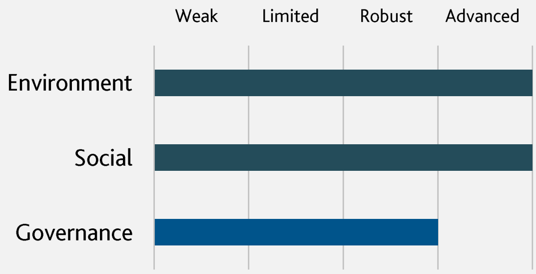
Characteristics of the Framework

Green & Social Project Categories	⇒ 3 environmental categories ⇒ 4 social categories
Project Locations	France and Designated Countries
Target Population	French population and those most vulnerable
Existence of Framework	Yes
Share of Refinancing	100%
Look-back Period	3 years

Issuer

ESG Performance as of April 2022





ESG Controversies

Number of Controversies	4
Frequency	Occasional
Severity	High
Responsiveness	Reactive

Controversial Activities

The Issuer appears to be involved in one of the 17 controversial activities screened under our methodology:

☒ Alcohol	☐ Fossil fuels industry	☐ High interest rate lending	☐ Pornography
☐ Animal welfare	☐ Coal	☐ Human embryonic stem cells	☐ Reproductive medicine
☐ Cannabis	☐ Gambling	☐ Military	☐ Tobacco
☐ Chemicals of concern	☐ Genetic engineering	☐ Nuclear power	☐ Unconventional oil and gas
☐ Civilian firearms			

Coherence

- Coherent
- Partially coherent
- Not coherent

Moody's ESG Solutions considers that the contemplated Framework is coherent with Crédit Mutuel Alliance Fédérale's strategic sustainability priorities and sector issues and that it contributes to achieving the Issuer's sustainability commitments.

Key findings

Moody's ESG Solutions considers that Crédit Mutuel Alliance Fédérale's Bond Framework is aligned with the four core components of the GBP and SBP.

Use of Proceeds - aligned with the GBP and SBP

- The Eligible Categories are clearly defined. The Issuer has communicated the nature of the expenditures, the eligibility criteria and location of Eligible Projects for a majority of categories. The eligibility criteria of the Low-Carbon Transport categories could be further specified.
- The Environmental and Social Objectives are clearly defined, relevant and set in coherence with sustainability objectives defined in international standards for all Eligible Categories.
- The Expected Environmental and Social Benefits are clear, relevant and measurable. They will be quantified for all Eligible Categories in the reporting.
- The Issuer has committed to transparently communicate publicly the estimated share of refinancing, which will be at 100% for all issuances. The look-back period for refinanced Eligible Projects will be equal to or less than 36 months from the issuance date, in line with market practices.

Evaluation and Selection - aligned with the GBP and SBP

- The Process for Project Evaluation and Selection has been clearly defined by the Issuer. The Process is structured, and the roles and responsibilities are clear and include relevant internal expertise. The process is publicly disclosed in the Framework and this Second Party Opinion.
- Eligibility criteria for project selection have been clearly defined by the Issuer for a majority of Eligible Categories. The criteria for the Low-Carbon Transport category could be further specified.
- The process applied to identify and manage potentially material ESG risks associated with Eligible Projects is publicly disclosed in this Second Party Opinion. The process is considered robust: it combines monitoring, identification and corrective measures for a majority of the Eligible Projects (see detailed analysis on pages 21 - 23).

Management of Proceeds - aligned with the GBP and SBP and best practices identified by Moody's ESG Solutions

- The Process for the Management and Allocation of Proceeds is clearly defined and detailed and is publicly available in the Framework.
- The allocation period will be 12 months or less.
- The net proceeds of the Bond will be placed in the General Treasury and tracked by the Issuer in an appropriate manner and attested to in a formal internal process.
- Information on the intended types of temporary placement for the balance of the unallocated net proceeds is publicly disclosed.
- For as long as the Bond is outstanding, the Issuer has committed to periodically adjust the balance of tracked net proceeds to match allocations to Eligible Projects.
- The Issuer has provided information on the procedure that will be applied in case of project divestment or postponement and has committed to reallocate divested proceeds to projects that comply with the Framework within 12 months.

Reporting - aligned with the GBP and SBP

- The Issuer has committed to report on the Use of Proceeds on an annual basis until full allocation and on a timely basis in case of material developments for the allocation reporting, and until Bond maturity for the allocation and impact reporting. The report will be publicly available on the Crédit Mutuel Alliance Fédérale's and BFCM's websites.
- The Issuer has committed to include in the reports relevant information related to the allocation of Bond proceeds and the expected sustainable benefits of the Eligible Categories. The Issuer has also committed to report on material developments and controversies related to the Eligible Projects.
- The reporting methodology and assumptions used to report on environmental and social benefits of the Eligible Categories will be publicly disclosed.
- An external auditor will verify the tracking and allocation of funds to Eligible Projects until bond maturity. An external auditor will verify the reporting on the environmental and social benefits of Eligible Projects until bond maturity.

Contact

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SCOPE

Moody's ESG Solutions was commissioned to provide an independent Second Party Opinion ("SPO") on the sustainability credentials and management of the Green and Social Bonds[1] (the "Bonds") to be issued by Crédit Mutuel Alliance Fédérale (the "Issuer") in compliance with the Green, Social and Sustainability Bond Framework (the "Framework") created to govern their issuance(s).

Our opinion is established according to Moody's ESG Solutions' Environmental, Social and Governance ("ESG") exclusive assessment methodology and to the latest version of the voluntary guidelines of ICMA's Green Bond Principles ("GBP") - edited in June 2021 - and Social Bond Principles ("SBP") - edited in June 2021 (referred together as the "GBP & SBP").

Our opinion is built on the review of the following components:

- Framework: We assessed the Framework, including the coherence between the Framework and the Issuer's environmental and social commitments, the Bond's potential contribution to sustainability and its alignment with the four core components of the GBP & SBP 2021.
- Issuer:[2] We assessed the Issuer's ESG performance, its management of potential stakeholder-related ESG controversies and its involvement in controversial activities.[3] Our sources of information are multichannel, combining data (i) gathered from public sources, press content providers and stakeholders, (ii) from our exclusive ESG rating database, and (iii) information provided from the Issuer through documents and interviews conducted with the Issuer's managers and stakeholders involved in the Bonds issuance, held via a telecommunications system.

We carried out our due diligence assessment from 6th April 2022 to 13th June 2022. We consider that we were provided access to all documents and interviewees we solicited. For this purpose, we made reasonable efforts to verify the accuracy of all data used as part of the assessment.

Type of External Reviews supporting this Framework

☒	Pre-issuance Second Party Opinion	☒	Independent verification of impact reporting
☒	Independent verification of funds allocation	☐	Climate Bond Initiative Certification

[1] The "Green and Social Bonds" are to be considered as the bonds to be potentially issued, subject to the discretion of the Issuer. The name "Green and Social Bonds" has been decided by the Issuer: it does not imply any opinion from Moody's ESG Solutions.
[2] The Issuer is part of our rating universe - the last ESG rating was performed in April 2022.
[3] The 17 controversial activities screened by us are: Alcohol, Animal welfare, Cannabis, Chemicals of concern, Civilian firearms, Coal, Fossil Fuels industry, Unconventional oil and gas, Gambling, Genetic engineering, Human embryonic stem cells, High interest rate lending, Military, Nuclear Power, Pornography, Reproductive Medicine and Tobacco.

COHERENCE

Coherent
Partially coherent
Not coherent

We consider that the contemplated Framework is coherent with Crédit Mutuel Alliance Fédérale's strategic sustainability priorities and sector issues and that it contributes to achieving the Issuer's sustainability commitments.

The banking sector plays a central role in the transition towards a low-carbon and sustainable economy. By integrating environmental and social risks assessment into their financing operations and investment products, the banking sector can reduce the negative impact of their investments on the environment and society as well as influence their clients to engage in more sustainable business activities. Banks are also the main conduit to channeling capital towards sustainable, low carbon-intensive economic activities and providing funds that will fuel innovations in clean technologies that can help reduce GHG emissions. The banking sector can also effectively contribute to sustainable economic development and reduce social inequalities by promoting financial inclusion for a broader range of customers, particularly for those who are financially vulnerable, through its products and services. Banks have been facing mounting pressures from various stakeholders, notably regulators and investors, to provide meaningful disclosures on their ESG risks across investment portfolios. A recent report by the European Central Bank found that the majority of banks are still lagged behind in terms of disclosing meaningful information on climate risks, with only 15% of EU banks disclosing scope 3 financed emissions.[4] A recently passed EU legislation, the Corporate Sustainability Reporting Directive, will require all large companies, including banks, to report their environmental and social impact activities. Moreover, as governments transition towards low-carbon economic models, Bank-focused environmental regulation aimed to implement climate policies will also increase. Calls from investors and other market participants for banks to reduce their scope 3 emissions, along with industry initiatives to align lending and investment portfolios with net-zero emissions by 2050, such as the GFANZ Net-Zero Banking Alliance, are redefining and expanding the banking industry's role in addressing climate change.

The Crédit Mutuel Alliance Fédérale's Social and Mutualist Responsibility (SMR) policy is integrated in its 2019-2023 ensemble#nouveaumonde revised strategic plan, which aligns the organization's business activities with its sustainable development commitments across five key environmental and social areas:

- 100% of employees trained in transformation;
- Gender equality in management and governance positions;
- Membership rate in excess of 90%;
- 30% increase in financing projects with a significant contribution on climate change mitigation;
- Reduction of more than 30% in the Group's carbon footprint;[5]
- 15% reduction in carbon emissions across client portfolios (including corporate credit portfolios and investment portfolios in asset management and insurance).

Crédit Mutuel Alliance Fédérale's environmental commitments focus on making its financing and investments compatible with low-carbon, climate-resilient development. In 2021, Crédit Mutuel Alliance Fédérale became a member of the Net-Zero Banking Alliance, the banking element of GFANZ and Race to Zero, which includes banks committed to aligning their lending and investment portfolios with net-zero emissions by 2050. To achieve its ambition to help limit the increase in temperatures from 1.5 to 2°C by 2100 in line with the Paris Agreement, the Bank aims to reduce its scope 3 emissions (from financing in its corporate, asset management and insurance client portfolios) by 15% by 2023. In 2021, Crédit Mutuel Alliance Fédérale strengthened its commitment to combat global warming by ceasing to fund new oil and gas exploration, production and infrastructure projects, following on its previous commitment to divest from the coal sector.

Crédit Mutuel Alliance Fédérale sustainability strategy also highlights its social priorities to support customer relations, employee engagement and technological innovation, and includes targets to improve gender equality in management and governance positions and employees' trainings. The Bank also promotes local economic development and social progress by providing services and products that support society's transition towards a low-carbon and sustainable economy. The bank has systems and products that improve access to finance and banking inclusion for customers identified as vulnerable.

[4] ECB report on banks' progress towards transparent disclosure of their climate-related and environmental risk profiles, ECB, March 2022
[5] Includes France scopes 1, 2 & 3 energy consumption, refrigerants, fixed assets related to the vehicle fleet and business travel.

By creating a Framework to issue Green and Social Bonds intended to finance or refinance loans related to the environmental and social eligible categories, the Issuer coherently aligns with its sustainability strategy and commitments and addresses the main issues of its sector in terms of sustainable development.

FRAMEWORK

Crédit Mutuel Alliance Fédérale has described the main characteristics of the Bond within a formalized Green, Social and Sustainability Bond Framework that covers the four core components of the GBP and SBP 2021 (the last updated version was provided to Moody's ESG Solutions on 14 April 2022). The Issuer has committed to make this document publicly accessible on its website[6], in line with good market practices.

Alignment with the Green Bond Principles

Use of Proceeds

Not Aligned	Partially Aligned	**Aligned**	Best Practices

The net proceeds of the Bonds will exclusively finance or refinance, in part or in full, projects falling under three Green Project Categories and four Social Project Categories ("Eligible Categories"), as indicated in Table 1.

- The Eligible Categories are clearly defined. The Issuer has communicated the nature of the expenditures, the eligibility criteria and location of Eligible Projects for a majority of categories. The eligibility criteria of the Low-Carbon Transport category could be further specified.
- The Environmental and Social Objectives are clearly defined, relevant and set in coherence with sustainability objectives defined in international standards for all Eligible Categories.
- The Expected Environmental and Social Benefits are clear, relevant and measurable. They will be quantified for all Eligible Categories in the reporting.
- The Issuer has committed to transparently communicate publicly the estimated share of refinancing, which will be at 100% for all issuances. The look-back period for refinanced Eligible Projects will be equal to or less than 36 months from the issuance date, in line with market practices.

BEST PRACTICES

⇒ Relevant environmental and social benefits are identified and measurable for all project categories.
⇒ The Issuer has transparently communicated publicly the estimated share of refinancing which will be at 100% for all issuances.

[6] Banque Fédérative du Crédit Mutuel's Green, Social and Sustainability Bonds site.

Table 1. Our analysis of Eligible Categories, Sustainability Objectives and Expected Benefits as presented in the Issuer's Framework

- Nature of expenditures: Finance or refinance Eligible Loans in the Green, Social and Sustainability Eligible categories.
- Location of Eligible Projects: France, with the exception of Renewable Energy and Low-Carbon Transport, and Green Buildings (commercial only) categories, which can be located in any of the Designated Countries as defined by the Equator Principles.[7]

ELIGIBLE CATEGORIES	DESCRIPTION	SUSTAINABILITY OBJECTIVES AND BENEFITS	MOODY'S ESG SOLUTIONS' ANALYSIS
Green Buildings	Construction or acquisition of Green commercial buildings and prime residential properties meeting the applicable following criteria: Buildings built before 31 December 2020: (i) For both residential and non-residential buildings: the calculated performance of the building must be within the top 15% of the local existing stock in terms of operational Primary Energy Demand, expressed as kWh/m^2y. (ii) For non-residential buildings: efficient building operations must be ensured through dedicated energy management Buildings built after 31 December 2020: (i) For both residential and non-residential buildings: the primary energy demand must be at least 10% lower than the one resulting from the relevant Nearly Zero Energy Building requirements.[8] (ii) For non-residential buildings: efficient building operations must be ensured through dedicated energy management Building renovation meeting the applicable following criteria: (iii) Major renovation;[9] The renovation is compliant with the requirements set in the applicable building regulations for 'major renovation' transposing the Energy Performance of Buildings Directive (EPBD). The energy performance of the building or the renovated part upgraded must meet cost-optimal minimum energy performance requirements in accordance with the EPBD.	<u>Climate change mitigation</u> Energy Savings GHG Emissions Reduction	The definition of the category is clear and detailed, and the Issuer has communicated the nature, eligibility criteria and location of eligible expenses. The expected environmental objectives are relevant and consistent with the objectives defined in international standards. The expected benefits are clear, relevant and measurable. The Issuer has undertaken to quantify the environmental benefits in its annual report.

[7] https://equator-principles.com/designated-countries/
[8] https://ec.europa.eu/energy/topics/energy-efficiency/energy-efficient-buildings/nearly-zero-energy-buildings_en
[9] Major renovation means the renovation of a building where either: (a) the total cost of the renovation relating to the building envelope or the technical building systems is higher than 25 % of the value of the building, excluding the value of the land upon which the building is situated; or (b) more than 25 % of the surface of the building envelope undergoes renovation.

ELIGIBLE CATEGORIES	DESCRIPTION	SUSTAINABILITY OBJECTIVES AND BENEFITS	MOODY'S ESG SOLUTIONS' ANALYSIS
	(iv) Relative improvement: the renovation leads to reduction of Primary Energy Demand of at least 30% in comparison to the energy performance of the building before the renovation. The initial energy performance and the estimated improvement shall be based on a specialized building survey and validated by an Energy Performance Certificate, an energy audit conducted by an accredited independent expert or any other transparent and proportionate method. Location: Residential buildings in France, commercial buildings in all areas of the Equator Principles Designated Countries.		
Renewable Energy	The Eligible Loans are loans to (re)finance the acquisition, conception, construction, development and installation of renewable energy production units; as well as the connection of renewable energy production units to the electricity grid and the transportation through the network. Renewable energy sources include: • On- and offshore wind energy: facilities operating at life cycle emissions lower than 100gCO_2e/kWh, declining to 0gCO_2e/kWh by 2050 • Solar Energy: facilities operating at life cycle emissions lower than 100gCO_2e/kWh, declining to 0gCO_2e/kWh by 2050 Location: Projects will be located in all areas of the Equator Principles Designated Countries.	Climate change mitigation GHG Emissions Reduction	The definition of the category is clear and detailed, and the Issuer has communicated the nature, eligibility criteria and location of eligible expenses. The Issuer has confirmed in internal documentation that: - Solar energy projects will be limited to photovoltaics. - Transportation through the network is limited to financing the connection of renewable energy capacities. The expected environmental objectives are relevant and consistent with the objectives defined in international standards. The expected benefits are clear, relevant and measurable. The Issuer has undertaken to quantify the environmental benefits in its annual report.
Low-Carbon Transport	The Eligible Loans are loans to (re)finance the conception, development, construction, acquisition and maintenance of low-carbon transport infrastructure and assets including: • Infrastructure for low carbon land transport: defined in line with the TEG EU Taxonomy technical criteria for Infrastructure for low carbon transport (land transport): (i) Infrastructure that is required for zero direct emissions transport (e.g., electric charging points, electricity grid connection upgrades, hydrogen fueling stations or electric highways)	Climate Change Mitigation GHG Emissions Reduction, Pollutant Emission Reduction	The category definition is partially clear and detailed. The Issuer has confirmed in internal documentation that: - The Eligible Projects will only concern non-polluting assets such as tramways, electric trains (TGV), subways, charging stations for electric vehicles.

ELIGIBLE CATEGORIES	DESCRIPTION	SUSTAINABILITY OBJECTIVES AND BENEFITS	MOODY'S ESG SOLUTIONS' ANALYSIS
	(ii) Infrastructure and equipment for active mobility (walking, cycling, e-bikes and e-scooters) (iii) Infrastructure that is predominantly used for low-carbon transport if the fleet that uses the infrastructure meets the thresholds for direct emissions as defined in the relevant activity (iv) Non-electrified rail infrastructure with an existing plan for electrification or use of alternatively powered trains • Infrastructure for low carbon water transport: defined in line with the EU Taxonomy technical criteria for Infrastructure for low carbon transport (water transport): (i) Infrastructure that is required for zero direct emissions water transport (e.g. batteries or hydrogen fueling facilities) (ii) Infrastructure dedicated to supporting the renewable energy sector (iii) Infrastructure that is predominantly used for low-carbon transport if the fleet that uses the infrastructure meets the thresholds for direct emissions as defined in the relevant activity (iv) Infrastructure that is fundamental to the operation of the transport service • Low-carbon vehicles and rolling stock including: (i) Low-carbon passenger cars and commercial vehicles meeting the EU Taxonomy technical criteria for passenger cars and commercial vehicles (ii) Low-carbon rolling stock (e.g., light rail transit, metro, tram, trolleybus, bus and wagons) meeting the applicable EU Taxonomy technical criteria for Transportation (i.e., passenger rail transport, freight rail transport, public transport, freight transport services by road, interurban scheduled road transport) Low-carbon inland vessels meeting the applicable EU Taxonomy technical criteria for transportation (i.e. inland passenger water transport, inland freight water transport). Location: Projects will be located in all areas of the Equator Principles Designated Countries.		- Roads, airport, ports and bridges will not be eligible. - For non-electrified rail infrastructure, verifying the existing plan for electrification or use of alternatively powered trains will be part of a due diligence review prior to funding the project. The expected environmental objectives are relevant and consistent with the objectives defined in international standards. The expected benefits are clear, relevant and measurable. The Issuer has undertaken to quantify the environmental benefits in its annual report. An area for improvement would be to specify that: (i) Infrastructure used land transport be used for zero direct (tailpipe) CO_2 emissions (ii) Water transport infrastructure is dedicated to the performance of the port's own operations with zero direct (tailpipe) CO_2 emissions (iii) Low-carbon vehicles and rolling stock included have zero direct (tailpipe) CO_2 emissions

ELIGIBLE CATEGORIES	DESCRIPTION	SUSTAINABILITY OBJECTIVES AND BENEFITS	MOODY'S ESG SOLUTIONS' ANALYSIS
Local Development Through SME Financing	The Eligible Loans are loans granted to small, medium, and micro-sized enterprises (SMEs) which: (i) Support positively the economic activities of the underperforming areas of France defined as: - SME definition: according to the EU recommendation 2003/361 - Underperforming economic area: regions of France where the unemployment rate is above the national average[10] (ii) support positively the resilience of the economic activities in the event of extreme events as defined below: - SME definition: according to the EU recommendation 2003/361 (see Appendix 2: SME definition) - Economic resilience contribution: SMEs impacted by the consequences of extreme events (e.g. natural disaster, extreme weather events, public health disaster etc.) Target population: - SMEs located in underperforming economic areas in France - SMEs impacted by the consequences of extreme events	Access to Finance and Employment Generation Support for SMEs in Underperforming Areas of France Support for Job Creation/Retention in Underperforming Areas	The definition of the category is clear and detailed, and the Issuer has communicated the nature, eligibility criteria and location of eligible expenses. The target population has been clearly defined. The expected social objectives are relevant and consistent with the objectives defined in international standards. The expected benefits are clear, relevant and measurable. The Issuer has undertaken to quantify the social benefits in its annual report.
Affordable Housing	The Eligible Loans are loans to (re)finance social ownership loan (*Prêt à L'Accession Sociale*, or PAS) financing the acquisition or construction or renovation of primary residence subject to eligibility criteria including income ceilings as defined under French Law[11] Target population: - Disadvantaged populations in France at risk of housing exclusion: low-income population, young people, elderly people, people with disabilities.	Increase the accessibility to affordable housing for the target population Reduce social exclusions and inequalities Support to beneficiaries of social housing loans	The definition of the category is clear and detailed, and the Issuer has communicated the nature, eligibility criteria and location of eligible expenses. The target population has been clearly defined. The expected social objectives are relevant and consistent with the objectives defined in international standards. The expected benefits are clear, relevant and measurable. The Issuer has undertaken to quantify the social benefits in its annual report.
Access to Essential Services – Healthcare	The Eligible Loans are loans to (re)finance the purchase of heavy medical equipment (e.g. X-ray machines, MRI scanner, CT scanner) by health professionals in France, that are subject to prior authorization from the public agencies such as	Improve Access to Healthcare	The definition of the category is clear and detailed, and the Issuer has communicated the nature, eligibility criteria and location of eligible expenses.

[10] Source INSEE - last known quarterly unemployment rate at the date of issue
[11] https://www.service-public.fr/particuliers/vosdroits/F22158

ELIGIBLE CATEGORIES	DESCRIPTION	SUSTAINABILITY OBJECTIVES AND BENEFITS	MOODY'S ESG SOLUTIONS' ANALYSIS
	the regional healthcare agencies (*Agences Régionales de Santé*, ARS) in accordance with the French Public Healthcare code (*Code de la Santé Publique*).[12] Target population: - French population including the most vulnerable	Support the Availability of Heavy Medical Equipment in Healthcare Centers	The target population has been clearly defined. The Issuer has confirmed in internal documentation that: - The medical device orders are authorized by the French regional health agencies, which are responsible for the regional steering of the national health system and assess whether the need is acute or not. The expected social objectives are relevant and consistent with the objectives defined in international standards. The expected benefits are clear, relevant and measurable. The Issuer has undertaken to quantify the social benefits in its annual report.
Access to Education and Professional Training	Eligible Loans are loans to (re)finance higher education, vocational training, and apprenticeship. The aim is to promote the development to education to all, including individuals, farmers or professionals. Financed studies include: (i) Higher education: competitive examination (grandes écoles, etc.), university studies (if possible, from the second year), short university courses (BTS, IUT, etc.) (ii) Vocational training: training leading to a CAP, BP, BT, advanced retraining courses (for adults) Target population: - French population including the most vulnerable	Increase Access to Education for all Support the rural and urban areas in order to tackle the employment inequalities	The definition of the category is clear and detailed, and the Issuer has communicated the nature, eligibility criteria and location of eligible expenses. The target population has been clearly defined. The expected social objectives are relevant and consistent with the objectives defined in international standards. The expected benefits are clear, relevant and measurable. The Issuer has undertaken to quantify the social benefits in its annual report.

[12] Details on authorizations for heavy medical equipment in Article L6122 of the Code de la Santé Publique.

SDG Contribution

The Eligible Categories are likely to contribute to eight of the United Nations' Sustainable Development Goals ("SDGs"), namely:

ELIGIBLE CATEGORY	SDG	SDG TARGETS
Affordable Housing	1 No Poverty	1.4 Ensuring that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance.
Access to Essential Services – Healthcare	3 Good Health and Well-Being	3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.
Access to Education and Professional Training	4 Quality Education	4.3 By 2030, reduce social exclusions and ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university.
Green Buildings Renewable Energy	7 Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix 7.3 By 2030, double the global rate of improvement in energy efficiency.
Local Development Through SME Financing	8 Decent Work and Economic Growth	8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage formalization and growth of micro-, small- and medium-sized enterprises including through access to financial services. 8.10 Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.
Low-Carbon Transport	9 Industry, Innovation and Infrastructure	9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.
Green Buildings Low-Carbon Transport Affordable Housing	11 Sustainable Cities and Communities	11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services, and upgrade slums. 11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons. 11.3 By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.
Renewable Energy Green Buildings Low-Carbon Transport	13 Climate Action	Take urgent action to combat climate change and its impacts.

Evaluation and Selection of Eligible Loans

Not Aligned	Partially Aligned	**Aligned**	Best Practices

- The Process for Project Evaluation and Selection has been clearly defined by the Issuer. The Process is structured, and the roles and responsibilities are clear and include relevant internal expertise. The process is publicly disclosed in the Framework and this Second Party Opinion.
- Eligibility criteria for project selection have been clearly defined by the Issuer for a majority of Eligible Categories. The criteria for the Low-Carbon Transport category could be further specified.
- The process applied to identify and manage potentially material ESG risks associated with Eligible Projects is publicly disclosed in this Second Party Opinion. The process is considered robust: it combines monitoring, identification and corrective measures for a majority of the Eligible Projects (see detailed analysis on pages 21 - 23).

Process for Project Evaluation and Selection

- A dedicated committee has been set up to coordinate green, social and sustainability bond issuances and source Eligible Loans, which includes:
    - Head of the Group's Social and Mutualist Responsibility;
    - Head of Group collateral management;
    - Head of Group Treasury;
    - Head of Project finance;
    - Social and Mutualist Responsibility project manager;
- The Committee is responsible for:
    - The supervision and validation of the evaluation and selection of Eligible Loans that is implemented by the relevant business lines.
    - Monitoring the outstanding balance of the portfolio of Eligible Loans and replacing ineligible loans with eligible loans within 12 months. (The decision to exclude an Eligible Loan following a controversy will be taken on a case-by-case basis by the Committee.)
    - Coordinating the publication of the Bonds annual reporting, including reviewing the external independent auditors' report and addressing any relevant topics arising.
    - Monitoring that Eligible Loans continue to meet the eligibility criteria set in the Framework throughout the life of the Bonds.
- The traceability and verification of the selection and evaluation of the Eligible Loans is ensured throughout the process:
    - The Committee will meet at least quarterly and will keep minutes of the meetings.
    - All of the actions of the Committee will be submitted for approval to the Central Treasury and Liquidity Committee of the Group. This approval process ensures that all relevant decisions will be documented.
    - An external auditor will annually verify the compliance of the selected loans with the eligibility criteria as defined in the Framework.

Eligibility Criteria

The process relies on explicit eligibility criteria (selection and exclusion), relevant to the environmental and social objectives defined for the Eligible Categories.

- The selection criteria are based on the definitions in the Eligible Categories defined Table 1 in the Use of Proceeds section.
- The Eligible Loans exclude:
    - Loans to enterprises operating in the business sectors listed in Appendix 3 ("Exclusion list") of the Issuer's Framework.
    - Loans related to projects located in non-designated countries.[13]
    - Loans financed by any other type of funding.
    - Loans originated more than three calendar years prior to the year of identification of a portfolio of Eligible Loans in a given category.
    - Non-performing loans.[14]
- Exclusion criteria for Green Buildings:
    - Secondary residences are excluded since they usually feature unfavourable ratios of usage per occupant with regards to their environmental impacts.
- Exclusion criteria for SMEs Financing:
    - SMEs operating in controversial or highly sensitive sectors are excluded (exclusion list provided in the Framework, Appendix 3: Exclusion list).

BEST PRACTICES

⇒ The Issuer reports that it will monitor compliance of selected and financed Projects with eligibility criteria specified in the Framework throughout the life of the instrument and has provided details on the procedure adopted in case of non-compliance.

⇒ The Issuer reports that it will monitor potential ESG controversies associated with the financed Projects throughout the life of the instrument and has provided details on the procedure in case a controversy is found.

[13] https://equator-principles.com/designated-countries

[14] The Issuer defines non-performing loans as: Loans to high-risk companies with previous payment incidents, to compromised companies that will require guarantees, to companies in litigation, for which the guarantee procedures have been implemented, as well as to companies with significantly deteriorating credit profiles but without payment incidents. Eligible loans are only those given to companies with sound credit profiles.

Management of Proceeds

Not Aligned	Partially Aligned	Aligned	**Best Practices**

- The Process for the Management and Allocation of Proceeds is clearly defined and detailed and is publicly available in the Framework.
- The allocation period will be 12 months or less.
- The net proceeds of the Bond will be placed in the General Treasury and tracked by the Issuer in an appropriate manner and attested to in a formal internal process.
- Information on the intended types of temporary placement for the balance of the unallocated net proceeds is publicly disclosed.
- For as long as the Bond is outstanding, the Issuer has committed to periodically adjust the balance of tracked net proceeds to match allocations to Eligible Projects.
- The Issuer has provided information on the procedure that will be applied in case of project divestment or postponement and has committed to reallocate divested proceeds to projects that comply with the Framework within 12 months.

Management Process

- The net proceeds of the Bonds will be managed in the Issuer's general treasury and earmarked to Eligible Loans.
- BFCM will monitor and track the net proceeds of the Bonds through its internal accounting system.
- The Committee will be in charge of the allocation of an amount equivalent to the Green, Social or Sustainability Bond net proceeds to the Eligible Loans and to monitor the outstanding balance of the portfolio of Eligible Loans.
- BFCM intends to designate sufficient Eligible Loans to ensure the outstanding balance related to the portfolio of Eligible Loans always equals the total balance of the Green, Social or Sustainability Bond proceeds. In order to secure the full and timely allocation of the proceeds, it will strive to keep a buffer of Eligible Loans.
- Since the share of refinancing is 100%, the net proceeds of the Bond will be allocated to Eligible Loans as soon as possible and within a maximum of 12 months from issuance in line with best market practices.
- Pending the full allocation, unallocated proceeds may temporarily be invested in accordance the Group's liquidity guidelines in cash, deposits and money market instruments that do not finance GHG intensive activities, controversial activities, or activities facing material ESG issues.
- In case a loan becomes ineligible (ceasing to fulfill the eligibility criteria) or if it is redeemed or reaches maturity, the Committee will make its best efforts to replace it with another Eligible Loan as soon as possible on a best effort basis and within a maximum of 12 months in line with best market practices.
- Traceability and verification of both the tracking method and allocation of the proceeds are ensured throughout the process:
    - The proceeds will be appropriately managed and tracked by the Committee using an internal accounting system.
    - An independent auditor will annually verify the tracking and allocation of proceeds until bonds maturity.

BEST PRACTICES

⇒ The allocation period is 12 months or less.

⇒ The Issuer has committed not to invest temporarily unallocated net proceeds in GHG intensive activities or controversial activities.

⇒ The Issuer has provided information on the procedure that will be applied in case of project divestment or postponement and it has committed to reallocate divested proceeds to projects that are compliant with the Bond Framework within 12 months.

Reporting

Not Aligned	Partially Aligned	**Aligned**	Best Practices

- The Issuer has committed to report on the Use of Proceeds on an annual basis until full allocation and on a timely basis in case of material developments for the allocation reporting, and until Bond maturity for the allocation and impact reporting. The report will be publicly available on the Crédit Mutuel Alliance Fédérale's and BFCM's websites.[15]
- The Issuer has committed to include in the reports relevant information related to the allocation of Bond proceeds and the expected sustainable benefits of the Eligible Categories. The Issuer has also committed to report on material developments and controversies related to the Eligible Projects.
- The reporting methodology and assumptions used to report on environmental and social benefits of the Eligible Categories will be publicly disclosed.
- An external auditor will verify the tracking and allocation of funds to Eligible Projects until bond maturity. An external auditor will verify the reporting on the environmental and social benefits of Eligible Projects until bond maturity.

Indicators

The Issuer has committed to transparently communicate at Eligible Category level, on:

- Allocation of proceeds: The indicators selected by the Issuer to report on the allocation of proceeds are relevant and comprehensive.

REPORTING INDICATORS
⇒ Amount outstanding of the Green, Social or Sustainability Bond proceeds; ⇒ The 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 of the number of Eligible Loans per category; ⇒ Breakdown by country.

- Environmental and social benefits: The indicators selected by the Issuer to report on the environmental and social benefits are clear, relevant and comprehensive.

ELIGIBLE CATEGORIES	ENVIRONMENTAL BENEFITS INDICATORS	
	OUTPUTS AND OUTCOMES	IMPACT INDICATORS
Green Buildings	• Annual energy savings (MWh)	• Estimated annual GHG emissions reduced/avoided (in tons of CO_2 equivalent) including a breakdown by climate zone and asset type
Renewable Energy	• Breakdown of Renewable Energy loans by technology • Installed renewable energy capacity (MW) • Expected annual renewable energy generation (MWh) including a breakdown by country and by technology	• Estimated annual GHG emissions reduced/avoided (in tons of CO_2 equivalent) including a breakdown by country, technology and project phase (e.g. projects under construction vs operating projects)

[15] Banque Fédérative du Crédit Mutuel's Green, Social and Sustainability Bonds site.

ELIGIBLE CATEGORIES	ENVIRONMENTAL BENEFITS INDICATORS	
	OUTPUTS AND OUTCOMES	IMPACT INDICATORS
Low-Carbon Transport		• Estimated annual GHG emissions reduced/avoided (in tons of CO_2 equivalent)
Local Development through SME financing	• Breakdown of the outstanding amount of Eligible Loans by region and by level of unemployment • Number of SMEs benefiting from the Eligible Loans, including a breakdown by market (farmers, professionals and companies)	
Affordable Housing	• Number of dwellings • Number of beneficiaries	
Access to Essential Services - Healthcare	• Number of medical equipment	
Access to Higher Education and Training	• Number of beneficiaries	

BEST PRACTICES

⇒ The Issuer will report on the Use of Proceeds until bond maturity.

⇒ The reporting will cover relevant information related to the allocation of Bond proceeds and to the expected sustainable benefits of the Categories. The Issuer has also committed to report on material development related to the projects, including ESG controversies.

⇒ The indicators selected by the Issuer are exhaustive with regards to allocation reporting.

⇒ The reporting methodology and assumptions used to report on environmental and social benefits of the Eligible Categories will be publicly disclosed.

⇒ Environmental and social benefits and impacts will be externally verified until bond maturity or until end of pay-back period for loans.

CONTRIBUTION TO SUSTAINABILITY

Expected Impacts

The potential positive Impact of the eligible projects on environmental and social objectives is considered to be robust.

ELIGIBLE CATEGORY	EXPECTED IMPACT	ANALYSIS
Green Buildings	ADVANCED	Decarbonizing the buildings through energy-efficient construction and renovation is an important priority in France. According to the Ministry of Ecological Transition[16], the real estate sector accounts for 44% of the energy consumed in France, mainly due to the heating needs of the residential sector, and about 25% to 30% of the country's total GHG emissions. The 2018 Multi-Year Energy Program[17] in France aims to reduce the final energy consumption of buildings (TWh) by 15% between 2016 and 2028. Moreover, according to the National Low-Carbon Strategy[18] to reach the target of an average 100% low-energy building stock by 2050, 370,000 buildings must be completely renovated each year between 2015 and 2030, which will rise to 700,000 buildings a year between 2030 and 2050. However, the current pace of renovations falls well below the target at less than 300,000 renovated buildings a year. Banks have an important role in channeling capital to fund these types of projects that reduce GHG emissions to slow climate change. By financing both the construction and renovation of buildings, both of which meet the thresholds and criteria set by the EU Delegated Act, this category responds to relevant issues identified at the national level. The category is aligned with the most demanding criteria in the project's context. Despite generating an absolute increase in energy consumption, investing in the construction of new green buildings will have systemic positive impact as it will benefits all stakeholders. The project will reduce emissions and the environmental risk exposure for the bank as well as its "value chain", i.e., investors and clients. The eligible project will also generate benefits for local and global stakeholders from reduced emissions that can slow climate change and lessen the impact of climate-related physical risks.
Renewable Energy	ADVANCED	Lack of access to affordable and clean energy – SDG 7 – remains a challenge to reducing global CO_2 emissions and slowing climate change. By providing loans to (re)finance the acquisition, conception, construction, development and installation of on-and offshore wind and solar energy to help catalyze growth in renewable energy, this project category responds to a critical need. The financed renewable energy projects will be located in Designated Countries of the Equator Principles, many of which are advanced economies or OECD member states. Most of these countries will urgently need to increase their share of renewables to fuel their transition towards a clean energy economy. According to the IEA, in 2019 the share of renewable in the final energy consumption (SDG 7.2) for the OECD was just 13.7%, below the global average of 17.7%.[19] However, as the share of renewable energy can vary by country, a key factor that could determine the categories' potential impact is the share of funds that will be allocated for projects in the countries where the renewable energy sector is relatively less developed. The category is aligned with the most demanding industry standards to contribute to the project's intended objective. The Issuer commits to financing on- and offshore wind energy and solar facilities operating at life

[16] https://www.ecologie.gouv.fr/energie-dans-batiments
[17] https://www.ecologie.gouv.fr/sites/default/files/20200422%20Programmation%20pluriannuelle%20de%20l%27e%CC%81nergie.pdf
[18] https://www.ecologie.gouv.fr/sites/default/files/2020-03-25_MTES_SNBC2.pdf
[19] https://www.iea.org/fuels-and-technologies/renewables

ELIGIBLE CATEGORY	EXPECTED IMPACT	ANALYSIS
		cycle emissions lower than 100gCO_2e/kWh, declining to 0gCO_2e/kWh by 2050. The eligible projects follow the June 2021 Delegated Act on Climate-related Technical Criteria of the European Union Taxonomy.
Low-Carbon Transport	LIMITED	Decarbonizing the transport sector is a critical issue for several of the Equator Principles Designated Countries where the financed projects will be located. In 2019, the transport sector was the leading source of CO_2 emissions for the EU and second largest emitter for the OECD member states.[20] Many of these economies have a significant clean transportation gap to narrow for meeting their nationally determined contributions. Channeling capital to finance low-carbon land and water transport, as well as low-carbon vehicles and rolling stock, would make a substantive contribution to reducing GHG emissions. However, the criteria for some of the projects in this category do not meet the most current standards and environmental thresholds. The financed projects for this category include infrastructure for low-carbon land and water transport as well as low-carbon passenger cars, commercial vehicles and rolling stock, based on the EU Taxonomy technical criteria in the technical expert group report of March 2020, rather than the EU Taxonomy Climate Delegated Act. The latter is the most recent EU standard enacted by the EU parliament in July 2021, which has a more stringent CO_2 tailpipe emissions threshold, and therefore would make a greater contribution to GHG emissions reduction. The sea transportation element of the category could entail lock-in effects due to the continuous consumption of fossil-fuels during the long lifespan[21] of the vessels. Details concerning, the "Infrastructure that is predominantly used for low-carbon transport if the fleet that uses the infrastructure meets the thresholds for direct emissions as defined in the relevant activity" are currently insufficient to fully assess the expected magnitude of the category. A key element that will also determine the level of impact for the infrastructure projects for low-carbon road transportation is the share of funds that will be allocated for projects in the countries where the low-carbon transportation sector is relatively less developed.
Local Development through SME financing	ROBUST	In France, significant challenges to SDG 8, which includes access to finance for SMEs, remain. According to the OECD, SMEs account for 99.9% of the total business population, 53% of employment and about 44% of GDP.[22] However, only 22.3% of outstanding business loans have been allocated to SMEs. On aggregate, credit conditions for SMEs in France have been improving, with the interest rate spread between large and SME firms gradually declining to .3 percentage point.[23] Moreover, SMEs' access to bank lending has remained stable since 2017, with around 86% of SME requests for cash credits being fully or almost fully granted and 96% of SME requests for investment loans fully or almost fully served in 2020. However, challenges in accessing finance are more acute for specific segments of SMEs, such as micro enterprises and those in economically underperforming or disadvantaged areas of France. While the national unemployment rate is currently at a 13-year low, 7.4% in April 2022, this varies by region, with several localities experiencing chronically higher levels of unemployment for several years. Several studies have showed that SMEs are catalysts for long-term economic growth and employment and can also help reduce income inequality.[24] The intended project to fund SMEs could enable structural economic transformation in France, provided that it promotes financial inclusion for SMEs with limited access to finance in disadvantaged areas or channels critical investments to SMEs that intend to generate local jobs and business activities. The eligible projects target a vulnerable population, defined as SMEs that support economic activities in the underperforming areas of France where

[20] IEA Data Browser
[21] https://opensea.pro/
[22] OECD SME and Entrepreneurship Outlook 2021, Country Profiles
[23] OECD (2022), Financing SMEs and Entrepreneurs 2022: An OECD Scoreboard, OECD Publishing, Paris.
[24] "Unlocking Growth in Small and Medium-size Enterprises," McKinsey Global Institute, July 2020.

ELIGIBLE CATEGORY	EXPECTED IMPACT	ANALYSIS
		the unemployment rate is above the national average. Moreover, the intended projects can also support SME resiliency in the face of extreme events which, as the COVID-19 pandemic has highlighted, is essential to maintaining economic stability and employment. This will become increasingly pertinent with the acceleration of climate change, which will result in more frequent and severe climate-related physical risks, such as natural disasters and drought. However, the target population could be more precise to ensure that the funds support SMEs with the highest needs who are most likely to be excluded from financing – such as businesses owned by low-income individuals – as well as SMEs that intend to create local jobs in areas with stagnant or low employment growth.
Affordable Housing	ADVANCED	The decline in affordable housing is an acute issue in France, particularly for vulnerable segments of the population such as low-income households, young adults, seniors and people with disabilities. Between 2015 to 2021, the rise in real home prices, 17.5%, outpaced inflation (consumer price index), 6.4%, by more than double. Housing affordability also decreased during the same period, with the price-to-income ratio (which measures the home price in proportion to an owner's disposable income) increasing by 9.5%. Still, France ranks better than the OECD average in terms of rising house prices and housing affordability. Challenges to homeownership are more severe for low-income households. According to the most recent data from the National Institute of Statistics and Economic Studies[25], although, homeownership in France had increased on average from 54.3% to 57.9% between 1996 to 2013, it dropped from 37% to 32% for low-income households during the same period. Moreover, the rate of young people, age less than 30, getting onto the property ladder had also slowed during the same period. Homeownership is a way for households to build wealth, and home equity is the largest single financial asset for many middle-class households. The trend in declining homeownership among disadvantaged populations has been contributing to the rise in income inequality. By promoting home ownership through financing for segments of the population that are most at risk of housing exclusion – such as low-income population, young people, elderly people and those with disabilities – the eligible category can strengthen household financial stability, reduce income inequality and bring long-term positive economic and social impact across the economy.
Access to Essential Services – Healthcare	ROBUST	Access to healthcare remains an important issue in France that has been growing in significance as the population ages. According to the Commonwealth Fund 2021 health care systems ranking of 11 high-income countries, France is ranked 7th in terms of access to health care[26] . According to the OECD, France's stock of heavy medical equipment (e.g. X-ray machines, MRI scanner, CT scanner), is in line with other peer economies.[27] The eligible project to provide loans to (re)finance heavy medical equipment can contribute to improving access to healthcare. Although the target population for the project is the general French population including the most vulnerable – without specifics on the distribution of funds that will serve the latter – the orders for the devices are submitted to the French regional health agencies for authorization, which verify whether the devices respond to an important need.
Access to Education and Professional Training	LIMITED	France has already achieved its SDG 4.3 goal for access to tertiary education, with 48% of the population aged 25 to 34 who have completed tertiary education. According to the OECD, tuition fees in public institutions for a bachelor's or master's program in France, which were approximately between USD230-USD330 a year for national students in 2020, are among the lowest across member countries. Moreover, in 2019, 34% of students enrolled in tertiary education

[25] Housing Conditions in France, 2017 Edition
[26] MIRROR, MIRROR 2021, Reflecting Poorly: Health Care in the U.S. Compared to Other High-Income Countries, The Commonwealth Fund, August 2020
[27] OECD Database, Health Stats – Medical Technology

ELIGIBLE CATEGORY	EXPECTED IMPACT	ANALYSIS
		programs received financial support in the form of public grants or scholarships. While the eligible category aims to increase access to education by providing loans to higher education and professional training programs, the actual depth of the impact is unclear as the government already has a large role in financing education. Over the last 10 years, demand for education and training in private institutions has been on the rise. In 2020, 21% of students in tertiary education enrolled in independent private institutions compared to just 8% in 2010.[28] Moreover, the increase in tuition fees[29] for these institutions, as well as the higher cost of housing and other essentials, have increased the overall costs for students pursuing higher education in France, leading to significant funding gaps that students may seek finance through education loans. However, even if a student cannot find a guarantor for an education loan with a private bank, he/she can benefit from a student loan guaranteed by a French public investment bank, BPI France, which is excluded from the Issuer's portfolio due to the BPI guarantee. In addition, lifelong learning and adult education will become more important for developing and maintaining skills to stay relevant for an increasingly evolving labor market and the Future of Work. Financial support for adult learning to support training and employment reintegration in France is mainly financed by the state, the regions and companies, through programs such as the *Compte Personnel de Formation* (personal training account).[30] However, some vocational training assistance programs are limited to certain conditions and may not cover the full cost of training, or an individual may pursue a program that is not eligible for government funds. According to data presented by the Issuer, the average loan amount for professional training is about EUR 11,000, representing a significant funding gap that a continuing education student must finance. While demand for education loans is rising in France, a key concern limiting the project's impact for this category is the absence of due diligence to ensure that the majority of funds are used towards the intended objective. While enrollment certification is required to receive a loan, the proceeds are given directly to students rather than to the educational institution, and there is no follow-up mechanism in place by the bank to ensure students attend or complete the course. Moreover, the target population is set at national level, no additional screening criteria have been set to target populations particularly in need.
OVERALL ASSESSMENT	ROBUST	

[28] OECD Education at a Glance, 2011 and 2021
[29] Direction de l'évaluation de la prospective et de la performance (DEPP), Note d'information de Mai 2021
[30] Eurydice, European Commission

ESG Risks Identification and Management Systems in Place at Project Level

The identification and management of the environmental, social, and governance risks associated with the Eligible Loans are considered robust.[31]

ESG Risk Management– General Practices

All loans financed through the Bonds must respect Crédit Mutuel Alliance Fédérale's Social and Mutualist Responsibility (SMR) approach, which is based on social and societal commitments including respect for human rights, freedom of association and the right to collective bargaining, promotion and facilitation of labor relations, responsible relations with members and customers, diversity and equal opportunity and banking inclusion. Crédit Mutuel Alliance Fédérale has outlined a map of Environmental, Social and Governance (ESG) risks for all activities of the Group and has identified preliminary prevention measures and indicators that allow for integration of ESG criteria in credit granting and investment choices.

The Issuer reports that in order to ensure that the projects financed by the Eligible Loans do not significantly harm any of the other EU Taxonomy Environmental Objectives, it will only consider projects located in Designated Countries of the Equator Principles.[32] These countries are deemed to have robust environmental and social governance, as well as legislation systems and institutional capacity designed to protect their people and the natural environment. The Issuer relies on national laws and regulations for specific risks and on relevant documentation (e.g., construction permits, technical and legal reviews, environmental and social impact assessment) to monitor that the risks identified are appropriately managed by the beneficiaries of the loans. A verification of compliance with national laws and regulation is carried out annually.

The Issuer has set up an internal assessment methodology based on the classification scale of the Equator Principles. The Issuer has implemented comprehensive sector policies with tools that integrate counterparties' non-financial ratings which are analyzed when the decisions to grant banking and financial transactions are taken, enabling the sales teams to ensure compliance with the commitments of the group's SMR approach. Potential clients whose NACE code covers environmentally damaging fields of activity (coal, mining, etc.) are excluded. Any new financing project is subject to external due diligence by an independent consultant specialized in the sector, which includes an environmental impact component. Projects are selected on the basis of social utility criteria (e.g., the more or less strategic nature of the project for the country, the alignment of interests of various stakeholders and the overall economic rationale), local acceptance (known opposition of environmental defense groups or the local population, noise pollution, impact on the landscape, etc.), and environmental criteria (compliance with current and foreseeable standards). Environmental and social impacts are taken into account during the loan approval and throughout the life of the projects. Under the financing documentation, the borrower undertakes to comply with all applicable laws and regulations on an ongoing basis. Should the borrower breach the commitment, he/she should immediately inform the lenders and would be in default if it is not remedied.

The Issuer carries out a due diligence update once a year as part of its portfolio review, which also includes the follow up of the borrower's contractual obligations – which includes ESG clauses in the contracts - to respect environmental and social standards and to adapt to their evolution throughout the life of the project. Depending on the size of the project, due diligence also includes a follow up of the construction monitoring phase and its environmental impact, which is carried out by an independent engineer. The Issuer does not conduct on-site audits - however, an environmental review could be carried out depending on the financed project if necessary. Environmental impact assessments for the Green Eligible Categories include estimated avoided emissions, which are reported in the annual report. The methodology used to calculate avoided emissions is available on BFCM sites.[33]

As part of its internal procedures, the Issuer continuously monitors potential controversies on its borrowers to identify events that could undermine the social and environmental objectives of the Bonds. In the event of non-compliance of the environmental and social standards or in the case of a controversy related to a project, the Issuer has committed to replace the project with another Eligible Loan (See the Process for Project Evaluation and Selection section for more detail.)

To manage risks related to business ethics, the Issuer has set a Code of Ethics covering money laundering, fiscal evasion and corruption, which must be respected by employees. Any credit decision process, including for Eligible Loans, includes a Know Your Customer (KYC) assessment in compliance with banking regulations, and includes the identification of potential corruption-related risks. A mechanism to control disbursements, which occurs after satisfying the KYC procedures and upon the certification issued by a trusted third party (an independent technical expert), applies to all loans as an effective means to control compliance of expenditures. Regular trainings on anti-corruption are offered to employees.

[31] The "X" indicates the E&S risks that have been activated for each Eligible Category.
[32] As outlined in the « Document de référence 2018 – Crédit Mutuel Alliance Fédérale », the scale is the following : Category A Projects – Projects presenting negative social and environmental impacts, which are potentially significant, heterogeneous, irreversible or unprecedented; Category B Projects – Projects presenting limited negative social or environmental impacts, but less numerous, generally specific to one site, largely reversible and easy to treat with mitigation measures; and Category C Projects – Projects presenting minimal or no negative social or environmental impacts.
[33] Banque Fédérative du Crédit Mutuel's Green, Social and Sustainability Bonds site.

The Issuer's SMR policy outlines its process and systems to promote stakeholder dialogue, which is integrated into the SMR Governance system.[34] Listening to members and customers is one of the 15 SMR commitments, and Crédit Mutuel Alliance Fédérale has established a grievance system to ensure communication and resolution of issues. Promoting responsible relations and social dialogue with suppliers and employees are also SMR commitments, and there is a mechanism for employees to report issues. The Issuer also engages with extra-financial rating agencies and associations, notably in the context of Crédit Mutuel Alliance Fédérale's climate commitments and the shareholder dialogue of its asset management subsidiaries. Constant engagement with investors is facilitated via the BFCM website, e-mails and road shows.

Environmental Risks

Green Buildings (location: France or in designated countries as defined by the Equator Principles for commercial buildings)

We consider that the environmental risks related to the acquisition and construction of the buildings, namely energy consumption and GHG emissions from the final use of the buildings, biodiversity, impact on natural and urban landscape, adaptation to climate change, construction waste management, and local pollution/local disturbances from construction and exploitation phases, are covered for all projects through the eligibility criteria defined in the Use of Proceeds. Environmental risk mitigation efforts include the screening criteria applied by the Issuer, national regulations (including the French regulation RT 2012 for buildings built before 2020 and the upcoming RT 2020 for building built after 2020), urban plans, and documentation required by the Issuer to demonstrate compliance with these regulations (e.g., construction permits). For commercial buildings, the Issuer reports that a minimum certification will be required as well as the presence of an energy management system.

An area for improvement consists of providing further details on whether specific certifications or labels will be required for Green Buildings (e.g., LEED, BREAM, Effinergie), since these certifications can ensure good management of risks other than energy consumption, such as water use, energy consumption and GHG emissions during the construction phase, and eco-design (to increase building life span, improve building material and components reuse and recycling, and ease of deconstruction).

Renewable Energy and Low-Carbon Transport (location: Designated Countries)

For these two categories, management of ESG risks related to environmental management and environmental impact, adaptation to climate change risks, biodiversity, GHG emissions, accidental pollution and energy efficiency are monitored by the Issuer through the verification of compliance with local and national regulation (monitoring of compliance with national legislation is carried out annually) and related permits and authorizations, an Environmental and Social Impact Assessment (as required by the Equator Principles) and adherence to the eligibility criteria as outlined in the Use of Proceeds table of this document. It is important to note that for these two categories, the laws and regulations on the above-mentioned issues are not the same across the designated countries of the Equator Principles (e.g. countries where EU directives and regulation apply vs. other countries), therefore the degree of management of ESG risks may vary across projects.

It is not clear whether the existence of remediation plans in case of unexpected negative environmental impacts or accidental pollution is required by the Issuer. An Area for improvement includes implementing a certified Environmental Management System for all projects under these categories and to ensure that eco-design procedures (to improve material and components reuse, recycling, and ease of deconstruction) apply to all projects under these categories.

Affordable Housing (location: France)

Construction and acquisition of new buildings in France are subject to respect of the RT 2012 regulation, guaranteeing respect of technical requirements in terms of isolation, energy efficiency, and energy consumption. As for the category Green Buildings, other environmental risks such as biodiversity, impact on natural and urban landscape, adaptation to climate change, construction waste management, local pollution/local disturbances from construction and exploitation phases are covered by French regulation, whose compliance is verified by the Issuer through the review of related documents. Renovations on existing buildings must at least meet the highest standards of thermal and energy performance requirements for existing buildings and the acquisition of existing buildings. An area for improvement consists in establishing a mechanism to be able to assess and exclude loans for housing with the lowest energy performance.

Local Development through SME Financing (location: France)

The Issuer does not have verification systems in place to assess the environmental performance of its SME beneficiaries before granting loans, however, to control negative impact risks on the environment, it will exclude any loans to companies whose NACE code covers areas of activity that are harmful to the environment, as detailed in Appendix 3 of the Framework. For SME and professional clients, a pilot was launched in 2021 within CIC Lyonnaise de Banque for an analysis grid that integrates ESG criteria for financing requests from clients in the corporate market and networks. This pilot is planned to be rolled out to CIC regional banks and Crédit Mutuel Alliance federations by 2023.

[34] URD page 82-83, 98

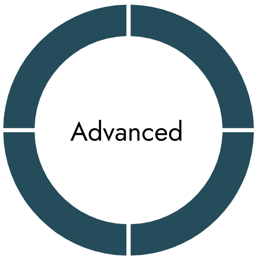
Social Risks

The Issuer ensures management of risks linked with human and labor right standards, health and safety of workers and working conditions, health and safety of end users (buildings, medical equipment, vehicles), non-discrimination, banking inclusion, and local development through the external due diligence process mentioned above, monitoring the adherence to national laws and regulation and the verification of compliance with its SMR approach. It is not clear whether an independent on-site inspection of construction projects will cover all relevant categories (Green Buildings, Transport and Renewable Energy).

In 2018, Crédit Mutuel Alliance Fédérale published a policy that underlines its commitment to banking inclusion, particularly for fragile or vulnerable clients, promotes fair and non-discriminatory business practices and prevents the risk of over-indebtedness. It has developed a budget management tool and financial education training modules for its clients. The conditions for access to credit (preferential interest rate credits, maximum gross income of the debtor, maximum entry fee, maximum amount of credit) are strictly defined and regulated by French laws, including le Code monétaire et financier, le Code de la consommation, and rulings from the Haut Conseil de Stabilité Financière. In addition, the Issuer has a debt rescheduling procedure for SMEs.

For the Affordable Housing category, an area for improvement would be to clarify whether the Issuer discusses, informs and warns customers on relevant issues to be taken into consideration when acquiring a house, covering when relevant energy efficiency, comfort, health and wellness, and accessibility of the house to be acquired.

ISSUER



Banque Fédérative du Crédit Mutuel (BFCM) is part of the French Group Crédit Mutuel Alliance Fédérale. BFCM owns all the of the Crédit Mutuel Alliance Fédérale's subsidiaries outside the mutualist scope. These subsidiaries cover the fields of bank and insurance, specialized financial services (consumer credit, leasing, etc.), electronic banking and IT. The present analysis covers the scope of the whole Crédit Mutuel Alliance Fédérale group, except for the corporate governance section which focuses on BFCM.

Level ESG Performance

The Issuer's ESG performance was assessed through a complete process of rating and benchmarking.

As of April 2022, BFCM displays an overall advanced ESG performance ranking 4th in our Diversified Banks sector in France, which covers 31 companies. The company is advanced in the Environmental and Social pillars, and robust in the Governance pillar.

DOMAIN	COMMENTS	OPINION
Environmental	BFCM's performance in the Environmental pillar is considered advanced. The Issuer is a signatory of the UN Global Compact and has formalized its commitment to environmental protection in its Social and Mutualist Responsibility (SMR) policy. As part of its strategic plan, BCFM aims to increase its financing for projects with a climate impact by 30% and decrease the Group's carbon footprint by 30% from 2019 to 2023. Moreover, in 2020, Crédit Mutuel Alliance Fédérale set a new target to reduce its scope 3 emissions from its corporate, asset management and insurance portfolios by 15% by 2023. BFCM's recent trend in declining scope 3 emissions linked to the company's portfolio signals progress on its environmental commitments. BFCM has disclosed two types of carbon footprint, expressed in tons of CO_2, related to its financing activities: • In terms of tons of CO_2 per EUR million invested, CO_2 emissions have decreased between 2019 and 2021 by 12.2%, from 388 tCO_2 in 2019 to 251.3 tCO_2 in 2021.[35] • In terms of carbon intensity of the portfolio (total emissions/total revenue), CO_2 emissions have decreased between 2019 and 2021 by 39%, from 288 tCO_2 in 2019 to 175.5 tCO_2 in 2021.[36] In addition, the share of loans to finance the energy transition has increased over the past five years, with funding for renewable energy projects growing by 75% from	Advanced Robust

[35] Indicates the total quantity of carbon which the company will generate pro rata to the bank's contribution.
[36] Provides a relative indication of the quantity of carbon generated per million euros of revenue realized and thus enables the degree of pollution caused by the company, in particular in comparison to its competitors in the sector or in different sectors.

	2017 to 2021. To reduce the negative environmental impacts from its financing activities, the Issuer has developed several policies for sensitive sectors (such as agriculture, hydrocarbons, different types of transportations, coal, mining). In 2021, Crédit Mutuel Alliance Fédérale announced its plan to cease funding of new oil and gas exploration, production and infrastructure projects, which follows on its previous commitment in 2019 to exit the coal sector. BFCM incorporates ESG considerations in investments strategies and assesses environmental risk of financed counterparties through sector specific grids and applies the Equator Principles. It also reports on several responsible investment strategies, including voting policies that integrate ESG principles and dialogue with companies on these issues. The BFCM has developed several financing and investment products to support energy transition. With respect to direct environmental impact, the Issuer also deploys relevant measures, including purchasing electricity from renewable sources and establishing an Energy Management System that meets ISO 50001 certification standards. BFCM's environmental commitments are assessed and verified by a Mission Committee, which ensures that the company applies the necessary resources, governance and dedication to achieve progress in these commitments. The Committee draws on the expertise of its nine members, three of whom are independent.	Limited Weak
Social	BFCM's performance on the Social pillar is considered advanced. The Group's social and societal priorities and commitments are embedded in its SMR policy. Key social objectives include 100% of employees trained in transformation, gender equality in management and governance positions and membership rate in excess of 90%. The Issuer has an advanced approach to promoting labor relations through frequent dialogue with employee representatives and several collective agreements that cover a wide range of issues, including quality of life at work and measures to safeguard employees' mental health. There are visible efforts to manage reorganizations responsibly, through an employment mobility program and re-training opportunities for career development. BFCM has adopted measures to manage human rights risks of investment and banking activities, including applying Equator Principles, and supporting shareholder resolutions related to human rights. Employees' labor rights are addressed through a collective agreement on diversity and non-discrimination issues. BFCM's 2019-2023 strategy includes a target to reach gender equality in management and governance position by 2023. Certain diversity KPIs show an improvement on this priority, with the share of women in management positions increasing from 40.4% in 2017 to 43.2% in 2021. Moreover, the share of employees with disabilities in the total workforce has increased from 1.6% in 2017 to 2.6% in 2021. Crédit Mutuel Alliance Fédérale has announced a commitment to promote access to basic financial services in line with its SMR policy. Crédit Mutuel Alliance Fédérale's initiatives to support local development include specific financing lines for SMEs and investment funds as well as collaborations with local NGOs, which it supports in enhancing their microcredit activities. Crédit Mutuel Alliance Fédérale has also developed measures to improve access to financial products and credit, and to support clients in financial distress. Crédit Mutuel Alliance Fédérale has developed a specific service for financially vulnerable clients and plans to offer it to 50,000 eligible customers by the end of 2022. BFCM has processes to ensure fair and transparent relations with its customers and clients. New customer products require an opinion from the Compliance Department and are monitored for customer satisfaction. In addition, cybersecurity measures in place to protect client data, including ISO 27001 certification.	Advanced Robust Limited Weak
Governance	BFCM's performance on the Governance pillar is considered robust. The Board comprises 14 non-executive directors and employee representatives. The roles of Chairman and CEO are separated, however, the chairman is not considered independent. As a non-listed cooperative Bank, BFCM is part of a decentralized	Advanced

	group whose directors are eligible to be members of the Board of Directors as a result of their own elected status. Only 12% of the board members are women. Details of executive remuneration are disclosed. The internal control system covers the standard issues related to financial, operational, and legal risks. In addition, the system covers most of the CSR risks inherent to the company's business operations. The Chairman of the Group presides over the Crédit Mutuel Alliance Fédérale 's Social and Mutualist Responsibility (SMR) team, and the Board discusses several ESG issues during its meetings. The SMR team works closely with its network of experts in each Crédit Mutuel Alliance Fédérale entity. The SMR action plan is validated by a dedicated working group of the Trade Union and Inter-federal Committee. BFCM also commits to preventing business ethics risks in its anti-corruption policy and other related policies. The company is a signatory of the UN Global Compact and communicates on this principle. In addition, BFCM has implemented the "ETHIK 2020" action plan, which includes reporting on the application of the Code of Ethics and Professional Conduct, strengthening the culture of ethics across the organization and holding elected representatives and employees accountable.	Robust Limited Weak

Management of ESG Controversies

As of May 2022, BFCM faces four stakeholder related ESG controversy, linked to three of the six domains we analyse:

- Business Behavior, in the criteria of "Corruption and money laundering" and "Information to customers".
- Corporate Governance, in the criteria of "Internal controls & risk management".
- Community Involvement, in the criteria of "Social and economic development".

Frequency: The controversy faced is considered "occasional" [37], better than the sector average.

Severity: The severity of the case, based on the analysis of the impact on both the Issuer and its stakeholders, is considered "high"[38]; in line with the sector.

Responsiveness: CDC is considered overall "reactive" [39], in line with the sector.

Involvement in Controversial Activities

The Issuer appears to be involved in one of the 17 controversial activities screened under our methodology, namely:

Minor involvement in alcohol. BFCM's estimated turnover from alcoholic beverages is less than 5% of its total gross revenues, which is derived from the sale of alcoholic beverages by three group companies: Le Bischenberg, Les Gâtines and Maubreuil. These event planning companies for meetings and seminars, and the related facilities provide catering services in their restaurants where alcoholic beverages are served. In addition, in 2018 the CM-CIC Investissement acquired a minority stake (not possible to determine), in Montaner Pietrini, which is involved in the sale of beverages including beer, champagne, spirits and wine to restaurants.

The controversial activities research provides screening of companies to identify involvement in business activities that are subject to philosophical or moral beliefs. The information does not suggest any approval or disapproval on their content from Moody's ESG Solutions.

[37] Scale of assessment: Isolated / Occasional / Frequent / Persistent.
[38] Scale of assessment: Minor / Significant / High / Critical.
[39] Scale of assessment: Non-communicative / Reactive / Remediative / Proactive.

METHODOLOGY

In our view, Environmental, Social and Governance (ESG) factors are intertwined and complementary. As such they cannot be separated in the assessment of ESG management in any organisation, activity or transaction. In this sense, we provide an opinion on the Issuer's ESG performance as an organisation, and on the processes and commitments applicable to the intended issuance.

Our Second Party Opinions (SPOs) are subject to internal quality control at three levels (Analyst, Project Manager and Quality Reviewer). If necessary, this process is complemented by a final review and validation by the Expertise Committee and Supervisor. A right of complaint and recourse is guaranteed to all companies under our review.

COHERENCE

Scale of assessment: not coherent, partially coherent, coherent

This section analyses whether the activity to be financed through the selected instrument is coherent with the Issuer's sustainability priorities and strategy, and whether it responds to the main sustainability issues of the sector where the Issuer operates.

ISSUANCE

Alignment with the Green and/or Social Bond Principles

Scale of assessment: Not aligned, Partially aligned, Aligned, Best Practices

The Framework has been evaluated by Moody's ESG Solutions according to the ICMA's Green Bond Principles - June 2021("GBP") and the Social Bond Principles - June 2021 ("SBP"), and on our methodology based on international standards and sector guidelines applicable in terms of ESG management and assessment.

Use of proceeds

The definition of the Eligible Projects and their sustainable objectives and benefits are a core element of Green/Social/Sustainable Bonds and Loans standards. Moody's ESG Solutions evaluates the clarity of the definition of the Eligible Categories, as well as the definition and the relevance of the primary sustainability objectives. We evaluate the descriptions of the expected benefits in terms of relevance, measurability and quantification. In addition, we map the potential contribution of Eligible Projects to the United Nations Sustainable Development Goals' targets.

Process for evaluation and selection

The evaluation and selection process is assessed by Moody's ESG Solutions on its transparency, governance and relevance. The eligibility criteria are assessed on their clarity, relevance and coverage vs. the intended objectives of the Eligible Projects.

Management of proceeds

The process and rules for the management and the allocation of proceeds are assessed by Moody's ESG Solutions on their transparency, traceability and verification.

Reporting

The monitoring and reporting process and commitments defined by the Issuer are assessed by Moody's ESG Solutions on their transparency, exhaustiveness and relevance, covering the reporting of both proceeds' allocation and sustainable benefits (output, impact indicators).

Contribution to sustainability

Scale of assessment: Weak, Limited, Robust, Advanced

Our assessment of activities' contribution to sustainability encompasses both the evaluation of their expected positive impacts on environmental/social objectives, as well the management of the associated potential negative impacts and externalities.

Expected positive impact of the activities on environmental/social objectives

The expected positive impact of activities on environmental/social objectives to be financed by the Issuer or Borrower is assessed on the basis of:

i) the relevance of the activity to respond to an important environmental/social objective for the sector of the activity;[40]

ii) the scope of the impact: the extent to which the expected impacts are reaching relevant stakeholders (i.e. the Issuer, its value chain, local and global stakeholders);

iii) the magnitude and durability of the potential impact of the proposed activity on the environmental/social objectives (capacity to not just reduce, but to prevent/avoid negative impact; or to provide a structural/long-term improvement);

iv) for environmental objectives only: the extent to which the activity is adopting the best available option.

ESG risk management for eligible activities

The identification and management of the potential ESG risks associated with the eligible projects/activities are analysed on the basis of Moody's ESG Solutions' ESG assessment methodology, international standards and sector guidelines applicable in terms of ESG management and assessment.

ISSUER

Issuer's ESG Performance

Scale of assessment of ESG Performance: Weak, Limited, Robust, Advanced

NB: The Issuer's level of ESG performance (i.e. commitments, processes, results of the Issuer related to ESG issues), has been assessed through a complete process of rating and benchmarking developed by us. The Issuers' ESG performance has been assessed by us on the basis of its:

- Leadership: relevance of the commitments (content, visibility and ownership).
- Implementation: coherence of the implementation (process, means, control/reporting).
- Results: indicators, stakeholders' feedbacks and controversies.

[40] The importance of a specific social need at country level is assessed on the basis of the country performance on the priority SDG that the project is targeting using data from Sachs, J., Schmidt-Traub, G., Kroll, C., Lafortune, G., Fuller, G., Woelm, F. 2020. The Sustainable Development Goals and COVID-19. Sustainable Development Report 2020. Cambridge: Cambridge University Press.

Management of Stakeholder Related ESG Controversies

Moody's ESG Solutions defines a controversy as public information or contradictory opinions from reliable sources that incriminate or make allegations against an Issuer regarding how it handles ESG issues as defined in Moody's ESG Solutions' ESG framework. Each controversy may relate to several facts or events, to their conflicting interpretations, legal procedures or non-proven claims.

We reviewed information provided by the Issuer, press content providers and stakeholders (partnership with Factiva Dow Jones: access to the content of 28,500 publications worldwide from reference financial newspapers to sector-focused magazines, local publications or Non Government Organizations). Information gathered from these sources is considered as long as it is public, documented and traceable.

We provide an opinion on companies' controversies risks mitigation based on the analysis of 3 factors:

- Frequency: reflects for each ESG challenge the number of controversies that the Issuer has faced. At corporate level, this factor reflects on the overall number of controversies that the Issuer has faced and the scope of ESG issues impacted (scale: Isolated, Occasional, Frequent, Persistent).
- Severity: the more a controversy is related to stakeholders' fundamental interests, proves actual corporate responsibility in its occurrence, and have caused adverse impacts for stakeholders and the company, the higher its severity is. Severity assigned at the corporate level will reflect the highest severity of all cases faced by the company (scale: Minor, Significant, High, Critical).
- Responsiveness: ability demonstrated by an Issuer to dialogue with its stakeholders in a risk management perspective and based on explanatory, preventative, remediating or corrective measures. At corporate level, this factor will reflect the overall responsiveness of the company for all cases faced (scale: Proactive, Remediate, Reactive, Non- Communicative).

The impact of a controversy on a company's reputation reduces with time, depending on the severity of the event and the company's responsiveness to this event. Conventionally, our controversy database covers any controversy with Minor or Significant severity during 24 months after the last event registered and during 48 months for High and Critical controversies.

Involvement in Controversial Activities

17 controversial activities have been analyzed following 30 parameters to screen the company's involvement in any of them. The company's level of involvement (Major, Minor, No) in a controversial activity is based on:

- An estimation of the revenues derived from controversial products or services.
- The specific nature of the controversial products or services provided by the company.

OUR ASSESSMENT SCALES

Scale of assessment of Issuer's ESG performance or strategy and financial instrument's Contribution to sustainability	
Advanced	Advanced commitment; strong evidence of command over the issues dedicated to achieving the sustainability objective. An advanced expected impact combined with an advanced to robust level of ESG risk management & using innovative methods to anticipate new risks.
Robust	Convincing commitment; significant and consistent evidence of command over the issues. A robust expected impact combined with an advance to robust level of assurance of ESG risk management or an advanced expected impact combined with a limited level of assurance of ESG risk management.
Limited	Commitment to the objective of sustainability has been initiated or partially achieved; fragmentary evidence of command over the issues. A limited expected impact combined with an advanced to limited level of assurance of ESG risk management; or a robust expected impact combined with a limited to weak level of assurance of ESG risk management; or an advance expected impact combined with a weak level of assurance of ESG risk management.
Weak	Commitment to social/environmental responsibility is non-tangible; no evidence of command over the issues. A weak expected impact combined with an advanced to weak level of assurance of ESG risk management or a limited expected impact with a weak level of assurance of ESG risk management.

Scale of assessment of financial instrument's alignment with Green and/or Social Bond and Loan Principles	
Best Practices	The Instrument's practices go beyond the core practices of the ICMA's Green and/or Social Bond Principles and/or of the LMA/APLMA/LSTA's Green and/or Social Loan Principles by adopting recommended and best practices.
Aligned	The Instrument has adopted all the core practices of the ICMA's Green and/or Social Bond Principles and/or of the LMA/APLMA/LSTA's Green and/or Social Loan Principles.
Partially Aligned	The Instrument has adopted a majority of the core practices of the ICMA's Green and/or Social Bond Principles and/or of the LMA/APLMA/LSTA's Green and/or Social Loan Principles, but not all of them.
Not Aligned	The Instrument has adopted only a minority of the core practices of the ICMA's Green and/or Social Bond Principles and/or of the LMA/APLMA/LSTA's Green and/or Social Loan Principles.

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