

2022 RESULTS¹

Exceptional net profit of €3.5bn to serve the public interest. Launch of the societal dividend at €525m.

Crédit Mutuel Alliance Fédérale made net profit of €3.5 billion in 2022, record results for the second year in a row.

These results stem from an excellent commercial performance in all regions and strengthened operating efficiency. **Net banking income came to €17.3 billion** (+8.9% overall, +3.2% at constant scope), driven in particular by retail banking (+12.3% overall, +5.9% at constant scope), private banking (+16.9%) and corporate and investment banking (+9.4%). **The cost/income ratio is in line with our 2019-2023 strategic plan at 59.6%**, one of the best in the banking sector.

In view of the scale of the environmental crisis, which is accentuating inequalities, Crédit Mutuel Alliance Fédérale is introducing **a societal dividend**. **From this year, based on its 2022 results, 15% of its net profit, i.e. €525 million**, will be used to finance environmental transformation and solidarity projects.

	2022	Change 2022/2021	Change 2022/2021 at constant scope ²
GROWTH IN NET BANKING INCOME	€17,340m	+8.9%	+3.2%
<i>of which retail banking</i>	€12,139m	+12.3%	+5.9%
GENERAL OPERATING EXPENSES IN LINE WITH OUR INVESTMENT STRATEGY	€10,329m	+13.0%	+5.3%
WELL CONTAINED COST OF RISK	€768m	+9.9%	+5.6%
RECORD NET PROFIT CONFIRMED	€3,502m	-0.7%	-3.6%

INCREASED FINANCING FOR OUR CUSTOMERS AND MEMBERS³

Home loans €254.4bn +6.9%	Equipment loans €115.2bn +13.4%	Consumer loans €51bn +7.6%
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OPERATING PERFORMANCE AND FINANCIAL STRENGTH

Cost/income ratio 59.6%	CET1 ratio ⁴ 18.2%	Shareholders' equity €56.7bn
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RESULTS TO SERVE THE PUBLIC INTEREST

Social contract ⁵ 18.9% €662m	Societal dividend ⁶ 15% i.e. €525m	Inclusive borrower insurance ⁷ 122,000 beneficiaries
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¹ The annual audit of the financial statements at 12/31/2022 is underway. ² After elimination of entities consolidated for the first time in 2022 (Crédit Mutuel Nord Europe, Crédit Mutuel Investment Managers, CIC Private Debt) and entities deconsolidated in 2021 (FLOA). ³ Change at constant scope. ⁴ Estimate at 31/12/2022.

⁵ Percentage of net profit allocated to employee incentive bonuses, profit-sharing and value sharing for employees in relation to net income. ⁶ Share of consolidated net profit allocated to the societal dividend. ⁷ Proportion of borrower insurance policies taken out for the purchase of a residence benefiting from the elimination of medical formalities.

“Exceptional net profit of €3.5bn to serve the public interest. Launch of the societal dividend at €525m.



“Crédit Mutuel Alliance Fédérale turned in an exceptional year serving its customers and members thanks to the commitment and initiatives of its employees, and support from its elected directors. The 2022 results confirm our strategy of customer acquisition, diversification and our mutualist approach to generate operational efficiency and serve the public interest. By introducing the societal dividend, we have made a commitment to long-term investment for the company, for society and for the future.” **Nicolas Théry, Chairman**

“Crédit Mutuel Alliance Fédérale, the largest French banking group with a regional head office has once again reported very solid results. They confirm the relevance of our mutualist banking and insurance model and our strategic innovation and transformation choices. I would like say a sincere thank you to the men and the women in the field supporting our customers and members for these exceptional results. I wish to thank our member and customers for their loyalty.” **Daniel Baal, Chief Executive Officer**



I. Our focus in 2022 was on serving our customers and members: protection and close ties in all our businesses.

In a year of sharp growth in inflation, economic slowdown and continued turbulence in global trade flows, Crédit Mutuel Alliance Fédérale was able to meet the needs of its 30 million customers and 6 million members thanks to the exceptional efforts of the Crédit Mutuel and CIC networks and all of its specialized business lines and subsidiaries.

Revenue growth in the core businesses

This connection with our customers was reflected in an increase in **net banking income to a record €17.3 billion (+3.2 % at constant scope)**. All our businesses in France and abroad rallied to contribute to this performance, which includes a first-time contribution from Crédit Mutuel Nord Europe, a key regional player within the Crédit Mutuel group, with two main markets (northern France and Belgium), a large asset management subsidiary (La Française) and a substantial holding in Assurances du Crédit Mutuel (GACM). This membership reflects Crédit Mutuel Alliance Fédérale's openness and interest in partnerships. It has contributed to the overall performance and helped to diversify Crédit Mutuel group's activity, under the authority of its central body.

In particular, the Crédit Mutuel and CIC networks generated their highest ever revenues of €8.5 billion (+6.6%), while revenues from the consumer credit subsidiaries grew by 4.2%, edging close to the €3 billion mark.

Amid unstable financial markets and falling share prices, the specialized business lines recorded only a slight fall in their commercial revenue to €2.4 billion (-2.1%), thanks to the good performance of private banking (+16.9%) and corporate banking (+9.4%).

The increase in climate-related insurance claims (high number of hailstorms, drought, etc.) is weighing on insurance revenues, whose net insurance income fell (-5.2%). Business remained at a sustained level. Insurance revenues nevertheless reached a record level of €13.3 billion (+9.7%), reflecting Assurances du Crédit Mutuel's growth in France's overall insurance market. Net life insurance inflows rose to €1.5 billion, with euro funds also posting gains, unlike the market. In a context of sharply rising interest rates and inflation, Assurances du Crédit Mutuel remains fully committed to its policyholders, offering an average rate of return in 2022 of 2.3%, up 1 percentage point.

Throughout the year, Crédit Mutuel Alliance Fédérale continued to implement its multiservice strategy via its banking and insurance offers, mobile phone and remote

surveillance services. Since January 2022, the Kiosque à Service has been rolled out featuring around one hundred new prime services for customers and members at competitive prices.

Sustained level of financing in all markets

During the year, we also assisted our customers and members with their projects. Home loans reached €254.4 billion (+6.9%), despite a slowdown in the second half of the year. Consumer credit also turned in a very good performance with outstandings of €51 billion (+7.6%). To meet the needs of farmers, professionals and business customers, equipment loans increased by 13.4% to €115.2 billion. **Total outstanding loans therefore reached €502 billion (+8.2%) while deposits came to €457 billion (+2.1%).**

Support for entrepreneurs is also illustrated through the production of business loans up by +42.2% at CIC. Over the year, net banking income on the business market grew by +20% at CIC.

The group continued to support entrepreneurial projects through its private equity subsidiary. More than 120 new investments were made during the year, throughout France, to the tune of €436.5 million. The new societal dividend will boost this type of support as it will entail the creation in 2023 of the environmental and solidarity revolution fund ("*Fonds de révolution environnementale et solidaire*"), which will receive an initial amount of €263 million.

Protection and solidarity in every region

As the first bank to adopt benefit corporation status, Crédit Mutuel Alliance Fédérale is accelerating its action on the ground in its regions. In 2022, **more than nine out of ten loan approvals were issued locally** within the Crédit Mutuel federations and CIC regional banks.

Particularly mindful of the consequences of inflation for low-income households, as from April 2022 30,000 bank advisors took strong action with initiatives such as **100,000 urgent inflation meetings** or the **active promotion of regulated savings accounts**. New LEP savings passbook accounts increased by a factor of 3.5 during 2022, while inflows into Livret A passbook accounts rose by 10.5% year-on-year to nearly €47 billion.

PASSBOOK SAVINGS ACCOUNTS IN 2022

LEP : 312,769 new accounts (x3.5)

LDDS : 251,482 new accounts (+10%)

As a major insurance provider in France, the group continued to develop its insurance business to protect its 13 million customers and prepare for the future. **Assurances du Crédit Mutuel's insurance cover grew by more than 1 million new policies (+2.8%) to a total portfolio of 36.6 million policies in 2022.** Gross inflows in life insurance savings came to €7 billion over the year in the French market alone, representing 4.7% of gross inflows on the market. Amid falling equity markets and the substantial impact of climate-related claims, the insurance business made a solid contribution to net profit of €832 million (-6%).

Banking and insurance for individuals, professionals, farmers and businesses

- Life insurance: average rate of return paid out = **2.3%**
- New group health offerings since Q1 2022
- Development of professional insurance
- Partnership with Allianz France: co-insurance in property & casualty insurance (business and farming market) with SMEs and mid-tier companies
- Creation in 2023 of life and non-life insurance subsidiaries in Germany

II. Operational efficiency and solidity of the mutualist banking and insurance model confirmed again

Faced with accelerating environmental and social change, Crédit Mutuel Alliance Fédérale's 2022 results confirm its capacity to lead major transformations in its sector and support those being carried out by its customers and members.

Operational efficiency and significant strategic choices

Crédit Mutuel Alliance Fédérale confirmed its operating performance in 2022. General operating expenses amounted to €10.3 billion (+5.3 % at constant scope). This increase reflects the investment choices made by the mutualist group in technology and human resources to support its development and transformation strategy.

Social¹ contract for the benefit of individual and collective performance

- Individual and collective salary increase: **+6.3 %**
- Employee incentive, profit-sharing and value sharing payments: **+18.9% of 2021 net income, representing €662m**

The group has a strong social contract in place, reflecting its conviction that performance is primarily a collective endeavor and development hinges on the caliber of the employees. Testifying to its approach as a responsible employer, Crédit Mutuel and CIC once again obtained first and second place in the best employer ranking in the banking and finance sector, as awarded by Statista and Capital magazine each year.

In this context, gender equality is an absolute priority. 0.5% of the payroll was earmarked to cover identified pay gaps at all levels of the company: nearly 4,000 employees benefited from this measure. In early January 2023, the group also joined the #StOpE initiative, adopting a charter against sexism in the workplace. A group agreement in favor of disabled employees and employees who are caregivers was signed with all trade unions to promote integration and retention as well as equal pay for equal work.

Technological investment was bolstered to better protect and safeguard our customers' data, in view of the rise in cyber risk. At the end of 2021, Euro-Information opened its new proprietary datacenter in Verlinghem (Nord). In 2024, the group's technology subsidiary will begin operations at two new datacenters in Côte-d'Or, with the aim of meeting the highest resilience and environmental standards. Transformative quantum computing projects in finance and insurance are also being studied in partnership with IBM. New artificial intelligence (AI) and OCR solutions will help save a lot of time spent on administration which can instead benefit the customer. In 2022, more than 2.4 million hours were freed up in the Crédit Mutuel and CIC networks.

The rise in revenue coupled with effective control of general operating expenses enabled it to meet the strategic goal of bringing the cost/income ratio to under 60% one year ahead of schedule. At 59.6%, Crédit Mutuel Alliance Fédérale achieved one of the best operational performances in the sector.

Although operating profit reached a record €6.2 billion, this was counterbalanced by two non-recurrent items. As the sharp rise in interest rates gave rise to a substantial increase in the discount rate, goodwill impairment tests led to an adjustment of goodwill in respect of TARGOBANK Germany, with a negative impact on profit of €958 million. After the announcement that exclusive negotiations had begun with ABANCA on December 22, 2022, the TARGOBANK (Spain) subsidiary was classified under IFRS5 as a non-current asset held for sale as at 12/31/2022. The negative impact of the sale is a loss of €270 million in the accounts for the year.

Crédit Mutuel Alliance Fédérale's reached €3.5 billion for the second year in a row, a record achievement for the mutualist cooperative group, demonstrating its capacity to maintain very strong performance over the long term.

Financial solidity and climatic risks

The post-Covid economic recovery that began in 2021 continued in 2022, with defaults and claims returning to normal levels. The cost of risk rose by +5.6%. Loan losses remain under control and the group has maintained a high level of provisions for the future.

Shareholders equity rose by €3.5 billion to €56.7 billion. The estimate CET1 ratio stood at 18.2%, confirming Crédit Mutuel Alliance Fédérale's position as the most solid French bank in Europe.

This solidity led to an upgrade in Crédit Mutuel's long-term rating by Standard & Poors' on December 16, 2021 from A to A+, with a stable outlook. In 2022, the three main financial ratings agencies confirmed their ratings for Crédit Mutuel Alliance Fédérale together with a stable outlook, reflecting its recurrent results and the solidity of its financial fundamentals.

Committed to helping to decarbonize the economy and protect biodiversity, Crédit Mutuel Alliance Fédérale continued to implement sector offers and policies that are aligned with the goals of the Paris Climate Agreement. It has stepped up its eco-responsible offerings, and became the first bank to offer energy renovation loans (prêt avance rénovation) alongside Banque Postale. In 2023 it will bring on board its oil and gas policy, while work is underway to draw up by the end of the first half the first sector policy aimed at significantly limiting deforestation.

Crédit Mutuel Alliance Fédérale was a pioneer in terms of commitments to reduce the use fossil fuels. The aim is to support the customers in an ambitious way so that they transform quickly their production models and create a carbon-free economy.

REMARKABLE PERFORMANCE AND FINANCIAL STRENGTH

Cost/income ratio: 59.6%

Shareholders equity: €56.7bn

CET1 estimate: 18.2%

Crédit Mutuel Alliance Fédérale has undertaken to:

- stop all financing of new exploration, production, infrastructure or processing projects in oil and gas;
- refrain from providing banking and financial services to companies listed in the Global Reference List Oil & Gas Exit List (GOGEL) of the NGO Urgewald, of which the share of hydrocarbon production not conventional products is above a defined threshold: 25% January 1, 2023, then 20% from January 1 2024;
- retain a demanding definition of unconventional hydrocarbons from the GOGEL d'Urgewald list: oil or shale gas, petroleum from oil sands, heavy and extra-heavy oil, deepwater oil or gas, extracted oil or gas in the Arctic, coal bed methane.

Always with the objective of concentrating funding on low-carbon energies, Crédit Mutuel Alliance Fédérale asks its customers to issue green bonds, in line with the strictest requirements strong, instead of traditional broadcasts.

Reflecting the new risks arising from climate change, in 2022 Crédit Mutuel Alliance Fédérale participated alongside its central body in the first climate stress tests carried out by the European Banking Authority. The exercise confirmed the group's resilience in the face of global warming and the challenges surrounding the transition to a low carbon economy.

III. Mutualism in evidence: putting operational efficiency to work in the public interest

Deeply committed to its mutualist model, **Crédit Mutuel Alliance Fédérale** has decided to introduce a societal dividend which involves setting aside 15% of its consolidated net profit to contribute to a more solid and sustainable society. This is a long-term, simple and verifiable measure entailing an unprecedented commitment of more than €2 billion out to the end of the 2024-2027 strategic plan. It was decided to start putting this measure in place immediately rather than wait until the strategic plan comes into play in early 2024.

Launch of the first environmental and solidarity revolution fund

Half of the societal dividend will be allocated to the Fonds de Révolution Environnementale et Solidaire, an impact fund set up to help change production models, improve infrastructures and resolve market inefficiencies.

Fully financed by the societal dividend, it will help establish environmentally resilient production facilities and infrastructure that fully incorporate inclusion requirements.

The Fonds de Révolution Environnementale et Solidaire has no financial profitability target, but will invest substantially in entrepreneurial projects. Based on the societal dividend approved in respect of the 2022 results, nearly €263 million will be allocated to this fund from this year.

Societal dividend 2023: €525m

A new solidarity mechanism whereby 15% of 2022 consolidated net profit will be allocated to the societal dividend

- **€263m (50%) > Impact fund**
- **€184m (35%) > Measures to promote solidarity and social inclusion**
- **€78m (15%) > Sponsorship**

Transformation of banking and insurance practices

As it did by revolutionizing access to home ownership by eliminating the health questionnaire for people with health issues and former patients, and by rolling out the account offers for financially vulnerable customers at €1 net per month, and the mutualist stimulus premium for professionals during the Covid crisis, **Crédit Mutuel Alliance Fédérale** wants to speed up its contribution to the necessary transformation of the banking and insurance sectors.

35% of the societal dividend will be allocated to the rollout of inclusive banking and insurance services, i.e. nearly €184 million in 2023. By changing the rules, **Crédit Mutuel Alliance Fédérale** is demonstrating how the mutualist approach can help bring about fundamental changes in society.

Supporting measures of public interest through philanthropy

As a long-time partner to local associations and causes of general interest, **Crédit Mutuel Alliance Fédérale** is using the societal dividend to strengthen its status as a major sponsor.

15% of the societal dividend will be earmarked to provide long-term support for projects that promote regional solidarity and environmental sustainability, whether led by new structures, local or regional associations or large NGOs.

These new resources will enable all of the **Crédit Mutuel** regional banks and the **Crédit Mutuel Alliance Fédérale** Foundation to unite stakeholders in the public interest around these major causes and to make their own commitments over the long term. In 2023, nearly €78 million will be set aside for solidarity philanthropy causes.

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1. Consolidated earnings

1.1. Financial results

(€ millions)	2022	2021	Change at current scope	Change at constant scope ¹
Net banking income	17,340	15,923	+8.9%	+3.2%
General operating expenses	(10,329)	(9,136)	+13.0%	+5.3%
<i>of which contribution to the Single Resolution Fund, supervision costs and contributions to the FGD²</i>	(421)	(314)	+34.1%	+30.7%
Gross operating income	7,012	6,787	+3.3%	+0.4%
Cost of risk	(768)	(699)	+9.9%	+5.6%
<i>cost of proven risk</i>	(891)	(587)	+51.6%	+49.8%
<i>cost of non-proven risk</i>	123	(111)	n.s.	n.s.
Operating profit	6,244	6,088	+2.6%	-0.2%
<i>Net losses on other assets and ECC³</i>	(1,185)	(866)	+36.9%	+37.4%
Profit before tax	5,059	5,222	-3.1%	-6.4%
Income tax	(1,556)	(1,703)	-8.6%	-12.2%
Net gains on discontinued operations	0	9	n.s.	n.s.
Net profit	3,502	3,527	-0.7%	-3.6%
Non-controlling interests	174	284	-38.9%	-38.9%
Net profit attributable to the group	3,329	3,243	+2.6%	-0.5%

¹ After elimination of entities consolidated for the first time in 2022 (Crédit Mutuel Nord Europe, Crédit Mutuel Investment Managers, CIC Private Debt) and entities deconsolidated in 2021 (FLOA) - see methodology notes in section 6.3.2.

² FGD = Fonds de Garantie des Dépôts.

³ ECC = equity consolidated companies = share of net profit of equity consolidated companies.

Net banking income

Despite an abrupt and profound change in economic conditions, Crédit Mutuel Alliance Fédérale's net banking income continued to grow, exceeding €17 billion for the first time vs. €16 billion in 2021. It increased by nearly 9% year-on-year to €17.3 billion and by 3.2% at constant scope.

Net banking income (€ millions)	2022	2021	Change at current scope	Change at constant scope ¹
Retail banking	12,139	10,811	+12.3%	+5.9%
<i>banking networks</i>	8,539	7,390	+15.5%	+6.6%
<i>consumer credit</i>	2,960	2,840	+4.2%	+4.2%
Insurance	1,815	1,915	-5.2%	-5.2%
Specialized businesses	2,361	2,211	+6.8%	-2.1%
Asset management and private banking	1,119	911	+22.8%	+1.1%
Corporate banking	471	430	+9.4%	+9.4%
Capital markets	342	351	-2.7%	-2.7%
Private equity	430	518	-17.1%	-17.1%
Other business lines	1,026	987	+3.9%	+3.0%
TOTAL NBI Crédit Mutuel Alliance Fédérale	17,340	15,923	+8.9%	+3.2%

¹ After elimination of entities consolidated for the first time in 2022 (Crédit Mutuel Nord Europe, Crédit Mutuel Investment Managers, CIC Private Debt) and entities deconsolidated in 2021 (FLOA) - see methodology notes in section 6.3.2.

Thanks to strong commercial activity, **retail banking** income grew by 5.9% overall, both across the networks (+6.6%) and at the specialized consumer credit subsidiaries (+4.2%).

The **insurance** business was impacted by the financial market downturn, unprecedented expenses linked to weather-related losses and higher repair costs due to inflation. Net insurance income fell by 5.2% to €1.8 billion.

In 2022, net banking income from **asset management and private banking** rose by 1.1% at constant scope to €1.1 billion compared with 2021. At current scope, it was up 22.8% thanks to the consolidation of La Française in the first half of 2022 (€161 million in NBI) following the entry into the Alliance of Crédit Mutuel Nord Europe, Crédit Mutuel Investment Managers and CIC Private Debt.

A high business volume in terms of loans to large companies and project financing enabled **corporate banking** to increase its NBI significantly (+9.4%) to €471 million.

Despite the steep fall recorded by the benchmark indices, a strong rebound in the last quarter allowed the **capital markets** business to record robust net banking income (€342 million); however, this was still lower than in 2021 (-2.7%), an exceptional year of post-Covid recovery.

Net banking income from **private equity** (€430 million vs. €518 million in 2021) reached the second highest level ever after 2021.

General operating expenses and gross operating income

In 2022, general operating expenses rose by 5.3% to €10.3 billion at constant scope.

The payroll and employee benefits expense includes general salary increases (3.2% in 2022) and the €3,000 value sharing bonus paid in December 2022. Other operating expenses were impacted by the steep increase in the contribution to the Single Resolution Fund, supervision costs and contributions to the Fonds de Garantie des Dépôts in the amount of €421 million in 2022 (including €319 million for the contribution to the SRF alone, which rose by 38% compared with 2021). Overall, the increase in contributions to the SRF and supervisory authorities was six times more than the increase in general operating expenses. Excluding the SRF contribution and supervision costs and at constant scope, general operating expenses rose by 4.4%.

At 59.6%, the cost/income ratio worsened by 2.2 points vs. 2021, but is still in line with the objectives of the 2019-2023 plan.

Gross operating income was up slightly at constant scope (+0.4%) to €7 billion.

Cost of risk and operating income

The overall cost of risk rose by 5.6% to €768 million year-on-year at constant scope and reflects two trends:

- An increase in the cost of proven risk for network and consumer credit customers and for corporate banking customers as a result of the downgrade of corporate loans. However, this deterioration, which reflects uncertain economic conditions, remains moderate at 18 bp (vs. 13 at the end of 2021), and is still below that of 2019;
- A slight recovery in unproven cost of risk following the abandonment of sectoral provisions recognized during the health crisis and offset by the tightening of our economic scenario assumptions. A post-model adjustment has also been implemented, aiming to cover the uncertainties related to the current economic situation, in particular on leveraged operations. This system allows us to better understand the macroeconomic variables in our prospective provisioning.

The non-performing loan ratio remained stable at 2.6%. The coverage rate for doubtful debts was 47.6% and the overall coverage rate is 72.6% at the end of December 2022.

The rate of doubtful loans is stable at 2.6%. The coverage rate on doubtful loans stands at 47.6% and the overall coverage rate came to 72.6% at 31 December 2022.

Expressed as a percentage of outstanding loans, the cost of risk for customer loans remained low at 17 bp compared with 16bp at the end of 2021 (28bp at the end of 2019 before the pandemic).

Outstanding loans in € millions	12/31/2022	12/31/2021	12/31/2020
Customer loans (net balance sheet outstandings)	502,097	444,825	419,413
Gross loans	511,668	454,020	429,024
Gross non-performing loans	13,181	11,723	12,497
Provisions for loan losses	9,571	9,195	9,611
<i>provisions for losses on non-performing loans (Stage 3)</i>	6,278	5,949	6,509
<i>provisions for losses on non-performing loans (Stages 1 & 2)</i>	3,293	3,246	3,102
Non-performing loans as a % of gross loans	2.6%	2.6%	2.9%

As a result of this increase in the cost of risk, operating income fell by 0.2% during the year to €6.2 billion.

Other items

The item "Net losses on other assets and ECC", at €1.2 billion, includes an adjustment of TARGOBANK Germany's goodwill (-€958 million) related to the increase in the discount rate and an additional provision (-€270 million) related to the potential sale of TARGOBANK Spain to ABANCA announced by the group on December 22, 2022.

Profit before tax

Profit before tax decreased by 6.4% year-on-year to €5.1 billion in 2022 vs. €5.2 billion in 2021.

Net profit

In a turbulent economic environment, net profit was relatively stable at €3.5 billion (-0.7%); it decreased by 3.6% at constant scope restated for the entities consolidated for the first time in 2022 (Crédit Mutuel Nord Europe in particular).

Net profit attributable to the group was €3.3 billion (+2.6% and -0.5% at constant scope).

1.2. Financial structure

Liquidity and refinancing¹

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

Crédit Mutuel Alliance Fédérale has numerous issue programs enabling investors in the main international markets to participate to its public and private issues. Furthermore, the group holds a comfortable cash reserve designed both to comply with regulatory ratios and to enable it to withstand severe stresses.

In 2022, the central banks sought to combat unprecedented, long-lasting inflation by raising interest rates quickly and significantly.

These changes in monetary policy took a toll on the economic outlook, creating the risk of a widespread global recession.

In the financial markets, these abrupt changes created a great deal of volatility and made issuers' activity more complex with smaller issue windows.

It was also a very difficult year for investors, with very negative valuations due to the sharp rise in interest rates as well as the weak performance of credit spreads.

However, BFCM, through all its issue programs, did well with a larger refinancing program in anticipation of the end of TLTRO in 2023 and 2024.

In total, external funding obtained in the markets came to €156.8 billion in 2022, an increase of 8.3% compared with 2021.

The average LCR in 2022 was 153.3% (vs. a 12-month average of 181.3% in 2021).

The liquidity reserve (€190 billion) covers the vast majority of market funding due over 12 months.

Solvency and capital management

At December 31, 2022, Crédit Mutuel Alliance Fédérale's shareholders' equity stood at €56.7 billion compared with €53.2 billion at the end of December 2021, an increase of €3.5 billion thanks to retained earnings.

Crédit Mutuel Alliance Fédérale had a very solid solvency position with a Common Equity Tier 1 (CET1) ratio of 18.2%², a decrease of 60 bp compared with 12/31/2021. This decrease is attributable to the loss of the authorization to apply the internal method for large corporates. The Tier 1 ratio was 18.2%² at the end of 2022 and the overall solvency ratio was 20.5%².

¹ For more details, see the additional information in section 6.1 of this press release.

² Estimate - without transitional arrangements.

Regulatory CET1 capital reached €50.9 billion¹, up 10.6% due to retained earnings and the issue of shares.

Risk-weighted assets (RWA) stood at €280.1 billion¹ at December 31, 2022 (compared with €245.1 billion at the end of December 2021, +14.3%). At €254.3 billion¹, credit risk-weighted assets represented 91% of the total coming in at €254.3 billion.

The leverage ratio at 31 December 2022 stood at 6.6%¹.

The return on risk-weighted assets (RoRWA) was 1.33% at end-December 2022, compared with 1.47% at 31 December 2021.

Based on initial estimates, the entry into force of IFRS 17 (insurance contracts) on January 1, 2023 will have a very limited impact on the solvency ratio (less than 10 basis points).

1.3. Ratings

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

	LT/ST counterparty **	Issuer/LT preferred senior debt	Outlook	ST preferred senior debt	Stand-alone rating ***	Date of last publication
Standard & Poor's ¹	AA-/A-1+	A+	Stable	A-1	α	11/30/2022
Moody's ²	Aa2/P-1	Aa3	Stable	P-1	α3	9/20/2022
Fitch Ratings ^{3*}	AA-	AA-	Stable	F1+	α+	12/30/2022

* The Issuer Default Rating remains at A+.

** The counterparty ratings correspond to the following agency ratings: Resolution Counterparty for Standard & Poor's, Counterparty Risk Rating for Moody's and Derivative Counterparty Rating for Fitch Ratings.

*** The stand-alone rating is the Stand Alone Credit Profile (SACP) for Standard & Poor's, the Adjusted Baseline Credit Assessment (Adj. BCA) for Moody's and the Viability Rating for Fitch Ratings.

¹ Standard & Poor's: Crédit Mutuel group rating.

² Moody's: Crédit Mutuel Alliance Fédérale/BFCM and CIC ratings.

³ Fitch Ratings: Crédit Mutuel Alliance Fédérale rating.

The external ratings and stable outlooks attributed to Crédit Mutuel Alliance Fédérale and the Crédit Mutuel group were confirmed by the three main financial rating agencies in 2022, reflecting the recurrence of their earnings and the soundness of their financial fundamentals.

As a reminder, on December 16, 2021, Standard & Poor's raised its long-term issuer credit rating for the Crédit Mutuel group from A to A+ with a stable outlook, the extra notch reflecting the fact that its additional loss-absorbing capacity (ALAC ratio) was above the level required by the agency under its new rating methodology.

The audit of the financial statements for the year ended December 31, 2022 is being conducted by the statutory auditors.

The Board of Directors met on February 7, 2023 to approve the financial statements.

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

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¹ Estimate - without transitional arrangements.

1.4. Key figures

Crédit Mutuel Alliance Fédérale

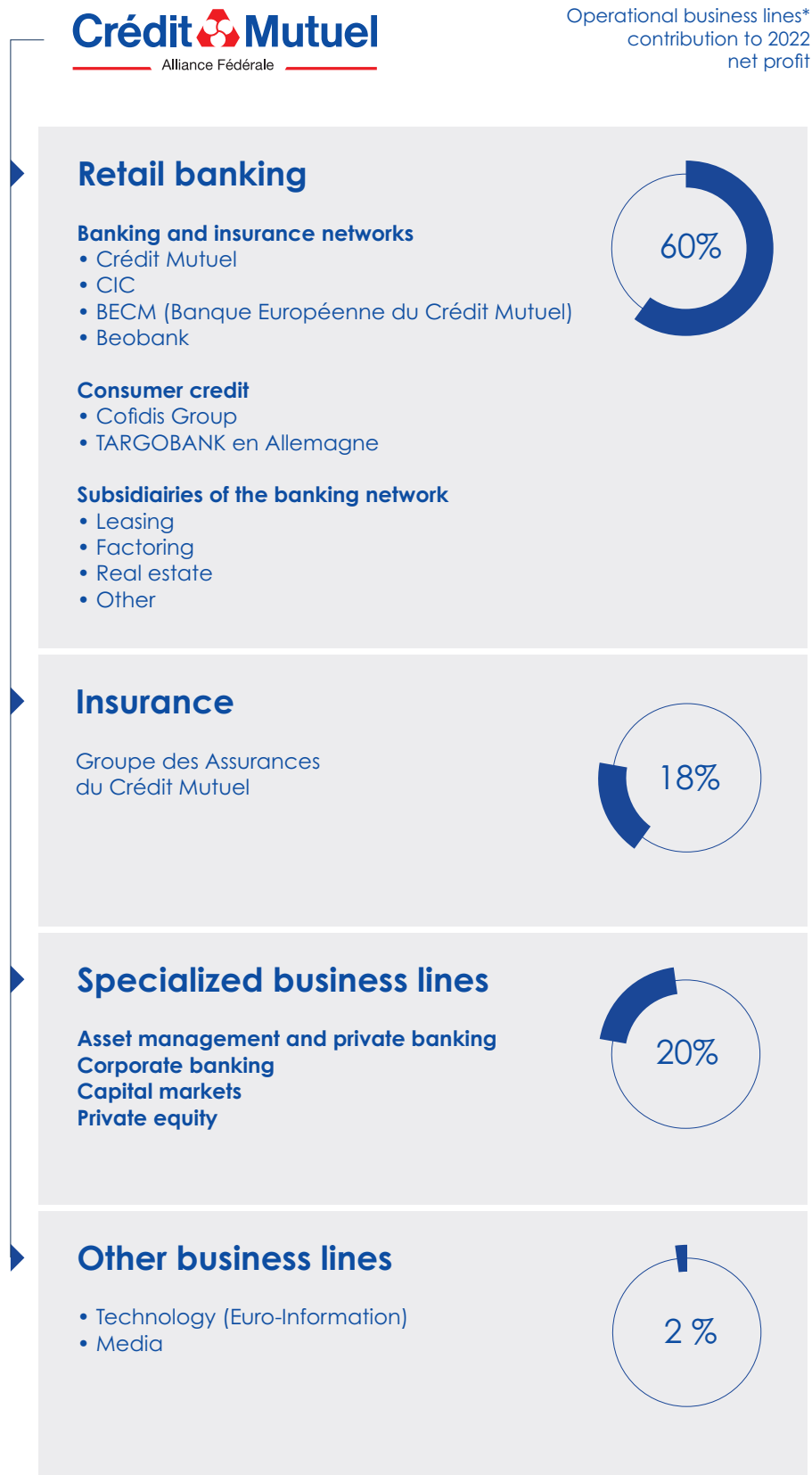
Key figures ¹

(€ millions)	12/31/2022	12/31/2021	12/31/2020
Financial structure and business activity			
Balance sheet total	885,087	843,906	795,978
Shareholders' equity (including net profit for the period before dividend pay-outs)	56,749	53,211	49,576
Customer loans	502,097	444,825	419,413
Total savings	846,890	877,570	730,472
- of which customer deposits	456,983	425,197	408,901
- of which insurance savings	102,057	102,381	98,988
- of which financial savings (invested in savings products)	287,850	349,992	222,582
Key figures			
Employees, end of period (group-controlled entities)	77,457	72,480	71,994
Number of branches	4,488	4,205	4,313
Number of customers (in millions)	30,1	27.9	26.7
Key ratios			
Cost/income ratio	59.6%	57.4%	62.3%
Cost of risk for customer loans as a percentage of outstanding loans	17 bp	16 bp	49 bp
Net profit / regulatory assets	1.33%	1.47%	1.13%
Loan-to-deposit ratio	109.9%	104.6%	102.6%
Overall solvency ratio (estimated for 12/2022 - without transitional arrangements)	20.5%	21.7%	20.8%
CET1 ratio (estimated for 12/2022 - without transitional arrangements)	18.2%	18.8%	17.8%
Leverage ratio (estimated for 12/2022)	6.6%	7.6%	6.9%

(€ millions)	2022	2021	2020
Results			
Net banking income	17,340	15,923	14,238
General operating expenses	(10,329)	(9,136)	(8,867)
Gross operating income	7,012	6,787	5,371
Cost of risk	(768)	(699)	(2,377)
Operating profit	6,244	6,088	2,994
Net gains/(losses) on other assets and ECC	(1,185)	(866)	570
Profit before tax	5,059	5,222	3,563
Corporate income tax	(1,556)	(1,703)	(968)
Net gains on discontinued operations	0	9	0
Net profit	3,502	3,527	2,595
Non-controlling interests	174	284	306

¹ Consolidated results of the local banks of Crédit Mutuel Centre Est Europe, Sud-Est, Île-de-France, Savoie-Mont Blanc, Midi-Atlantique, Loire-Atlantique et Centre-Ouest, Centre, Normandie, Dauphiné-Vivarais, Méditerranéen, Anjou, Antilles-Guyane, Massif Central and Nord Europe, and of their joint federal bank Banque Fédérative du Crédit Mutuel (BFCM) and all its subsidiaries, including CIC, Euro-Information, Assurances du Crédit Mutuel (ACM), TARGOBANK, Cofidis Group and Banque Européenne du Crédit Mutuel.

1.5. Organization of the business lines



* Excluding "Holding company services" business line.

2. Retail banking and consumer credit in France and Europe

(€ millions)	2022	2021	Change at current scope	Change at constant scope ¹
Net banking income	12,139	10,811	+12.3%	+5.9%
General operating expenses	(7,490)	(6,680)	+12.1%	+4.0%
<i>of which contribution to the Single Resolution Fund, supervision costs and contributions to the FGD²</i>	(283)	(224)	+26.1%	+21.5%
Gross operating income	4,648	4,131	+12.5%	+8.8%
Cost of risk	(752)	(705)	+6.7%	+2.4%
<i>cost of proven risk</i>	(837)	(567)	+47.5%	+45.6%
<i>cost of non-proven risk</i>	85	(137)	n.s.	n.s.
Operating profit	3,896	3,426	+13.7%	+10.1%
Net gains/(losses) on other assets and ECC ³	12	(5)	n.s.	n.s.
Profit before tax	3,908	3,421	+14.2%	+10.6%
Income tax	(1,110)	(1,067)	+4.1%	-0.2%
Net gains on discontinued operations	-	9	n.s.	n.s.
Net profit	2,798	2,363	+18.4%	+15.5%

¹ After elimination of entities consolidated for the first time in 2022 (Crédit Mutuel Nord Europe) and entities deconsolidated in 2021 (FLOA) - see methodology notes in section 6.3.2.

² FGD = Fonds de Garantie des Dépôts.

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

The retail banking segment comprises three business lines:

- The banking network made up of the Crédit Mutuel local banks of the 14 federations, the CIC branch network, Banque Européenne du Crédit Mutuel, Beobank and TARGOBANK Spain¹;
- Consumer credit, comprising Cofidis Group and TARGOBANK Germany;
- Specialized business line subsidiaries whose products are marketed by the branch networks: equipment leasing and hire purchase, real estate leasing, factoring, and real estate sale and management.

¹ TARGOBANK Spain was classified under IFRS 5 (assets held for sale) at 12/31/2022 following the group's announcement on December 22, 2022 of its potential sale to Abanca.

2.1. The banking network

2.1.1. Crédit Mutuel, Beobank and BECM banking and insurance network

2.1.1.1 Crédit Mutuel and Beobank banking and insurance network

In 2022, the Crédit Mutuel and Beobank banking and insurance network benefited from the first-time consolidation of Crédit Mutuel Nord Europe and Beobank in Belgium, which together represented net banking income of €664 million and net profit of €75 million.

At constant scope and excluding the effects of the newly consolidated entities in 2022, net banking income rose by 2.9% to €4.1 billion thanks to fees and commissions.

General operating expenses rose by 6.6%, reaching nearly €3 billion.

The cost of risk fell by €16 million, leaving profit before tax virtually unchanged (-1.3%) at €1.1 billion.

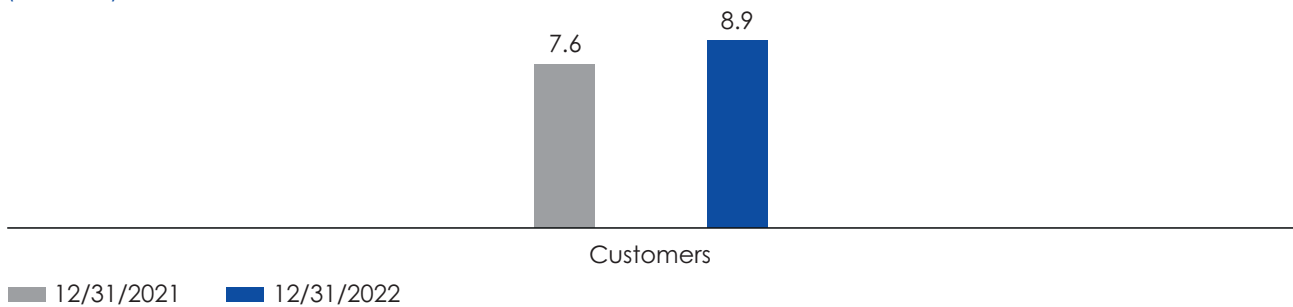
Net profit increased by 4.5% to €769 million.

> Business activity: Crédit Mutuel local banks

At the end of December 2022, the number of customers in the Crédit Mutuel banking and insurance network was 8.7 million, an increase of 14% (+101,000). Since January 1, 2022, they have included Crédit Mutuel Nord Europe customers (c. 1 million). On a like-for-like basis, the increase is 1.2%.

Number of customers (in millions)

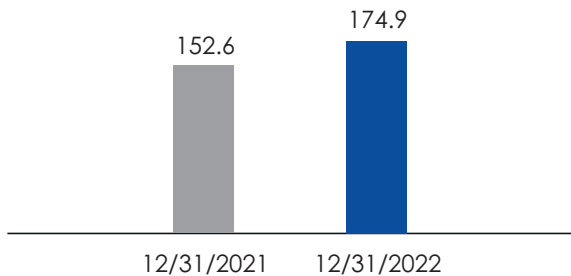
Crédit Mutuel banking
and insurance network



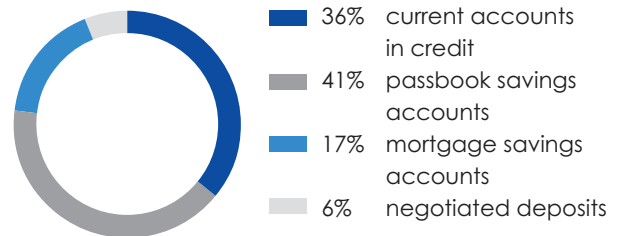
Deposits amounted to €174.9 billion at the end of 2022, up 14.7% year-on-year. From January 1, 2022, this figure includes the deposits of the Crédit Mutuel Nord Europe network, which totaled €15.7 billion at the end of 2022. At constant scope, deposits rose by 4.4%.

In 2022, inflows were particularly high for Livret Bleu and Livret A passbook accounts, with deposits increasing by 9.1% year-on-year to nearly €35 billion. Regulated savings benefited from very favorable conditions in 2022, with interest rates on Livret Bleu, Livret A and LLDS passbook accounts quadrupling from 0.5% in January to 2% in August and unstable financial markets prompting customers to turn to products that are both liquid and safe. This interest rate environment was also good for other passbook accounts (+9.8%).

Crédit Mutuel network
customer deposits (€ billions)



Structure of customer deposits
at December 31, 2022



The interest rate environment was less favorable to bank savings products and life insurance, whose balances remained stable.

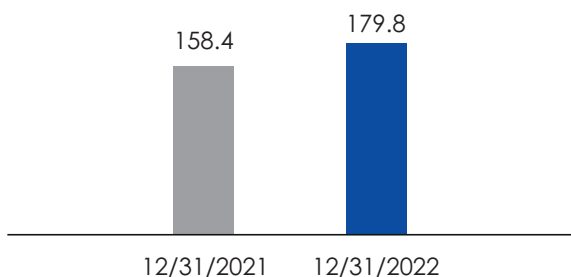
Overall, savings invested by customers of the Crédit Mutuel banking network reached nearly €247 billion at the end of 2022.

At end-December 2022, outstanding loans totaled €179.8 billion, an increase of 13.6% year-on-year. From January 1, 2022, this figure includes the outstanding loans of the Crédit Mutuel Nord Europe local banks, which totaled €10.8 billion at the end of 2022. At constant scope, loans increased by 6.7%.

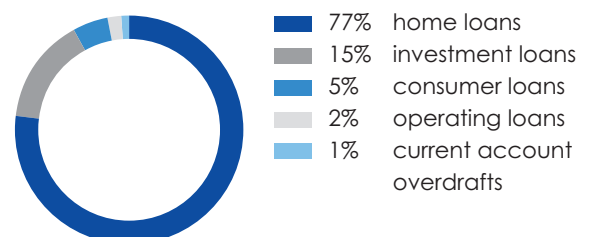
After a year of recovery in 2021, outstanding loans continued to grow in the main loan categories (changes at constant scope):

- home loans rose by 6.7% to €139.2 billion, with total disbursements down from 2021 following the slowdown in the second half of the year;
- consumer credit rose by 1.9% to €8.5 billion;
- equipment loan activity was strong in 2022, increasing by 11.8%.

Crédit Mutuel network
outstanding customer loans
(€ billions)



Structure of customer loans
at December 31, 2022



The multiservice strategy resulted in an increase in products sold to customers:

- the number of property and personal insurance policies (excluding creditor insurance) reached 12.9 million, up 2.6% year-on-year;
- the number of mobile phone contracts fell slightly year-on-year to 832,000;
- the number of remote home surveillance subscriptions rose by 3.2% to 212,680 at the end of 2022.

In terms of profit, the Crédit Mutuel banking and insurance network generated net banking income of €3.8 billion in 2022, up 14.8%, including the first-time consolidation on January 1, 2022 of the Crédit Mutuel Nord Europe local banks (395 million in net banking income in 2022). At constant scope, net banking income rose by 2.9% thanks to solid growth in fees and commissions.

General operating expenses rose by 6.6% to €2.8 billion.

The cost of risk fell by €26 million and included an increase in the cost of proven risk and a net reversal in the cost of non-proven risk.

Net profit was €740 million, up 4.5% at constant scope and 11.4% based on actual figures.

> Business activity: Beobank

During the year, Beobank recorded excellent earnings in all product lines, particularly consumer credit and credit cards. Against a tense backdrop of monetary tightening and interest rate increases, Beobank continued to expand along its various avenues of growth, namely mortgage loan markets (20.3% rise in outstanding loans), loans to small businesses (12.9% rise in investment loans) and property and casualty insurance (33% year-on-year increase in the portfolio).

At the end of 2022, outstanding loans stood at €8 billion (+14.1% year-on-year) and deposits totaled €7.0 billion (+4.8%).

Beobank had net banking income of €269 million in 2022 and net profit of €29 million.

2.1.1.2 Banque Européenne du Crédit Mutuel (BECM)

BECM is the Crédit Mutuel Alliance Fédérale subsidiary that serves regional economies and the market for business and real estate companies. Backed by the expertise of its employees and all the departments of Crédit Mutuel Alliance Fédérale's business centers, BECM serves 20,650 customers. The sales network consists of 45 branches and is organized on a market basis, with 31 serving the general business market and 14 serving the real estate market.

To increase Crédit Mutuel Alliance Fédérale's ability to expand its corporate activities in Germany, BECM sold its activities and its 10 branches in that country to TARGOBANK in 2022.

New investment loans in 2022 included €3.1 billion for businesses and €1.9 billion for real estate companies and real estate investors. Short-term lending agreements with real estate clients totaled €3 billion.

At constant scope¹ and measured in terms of monthly average capital, customer loans grew by 17.5% to €18 billion at the end of 2022. Deposits fell by 15.1% to €10.2 billion.

¹ Excluding the figures of the activity sold in 2022 from the 2021 data.

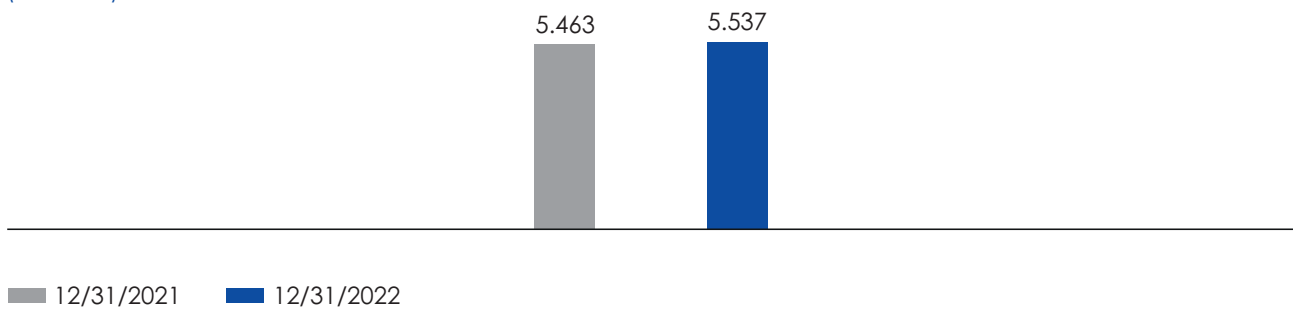
Net banking income for this same scope rose by 20% to €353.4 million and net profit totaled €183.2 million, up 22.5% compared with 2021.

2.1.2. CIC banking and insurance network

With close to 74,000 new customers, the branch network had 5.54 million customers at end-December 2022, a 1.4% increase year-on-year. The number of business and corporate customers increased by 1.8% to 1.1 million and the number of retail customers (79% of the total) rose by 1.2%.

Number of customers (in millions)

CIC banking network

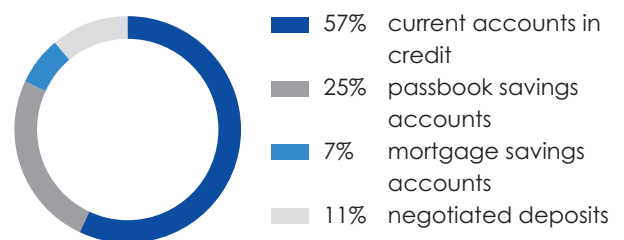
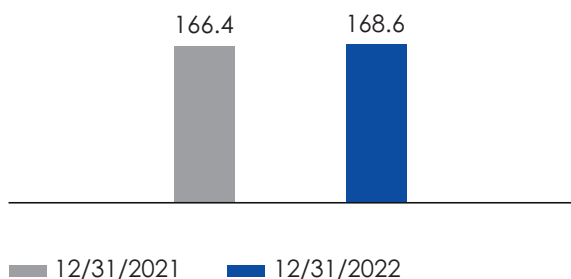


Deposits rose by 1.3% to €168.6 billion at the end of December 2022.

In 2022, inflows were particularly high for passbook accounts (+4.6%) and term deposits (+49.5%), which benefited from higher interest rates and customers' preference for liquid and safe products in an unstable financial market environment.

CIC network customer deposits (€ billions)

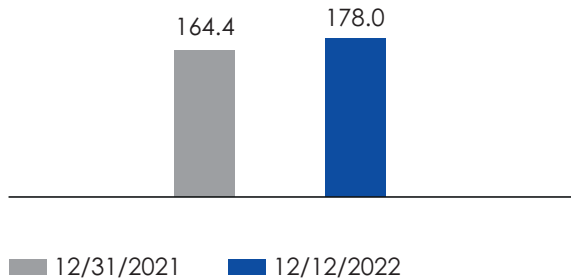
Structure of customer deposits at December 31, 2022



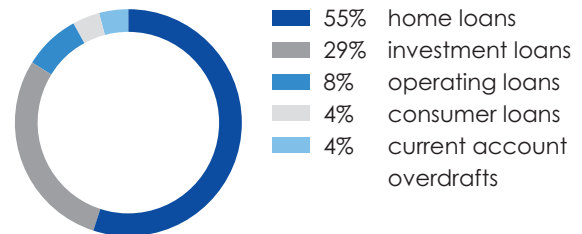
At the end of 2022, outstanding loans totaled €178 billion, an increase of 8.3% year-on-year. After a year of recovery in 2021, outstanding loans continued to grow in the main loan categories:

- home loans rose by 7.9% to €98.7 billion; total disbursements fell slightly during the year by 1.8% to €19.9 billion following the slowdown in the second half of the year;
- investment loans rose by 14.4% to €51.6 billion; requests for project support from business customers remained high, with disbursements increasing by 38.2% to €17.6 billion;
- outstanding consumer credit rose by 4.3% to €6.2 billion.

CIC network
outstanding customer loans
(€ billions)



Structure of customer loans
at December 31, 2022



The multi-service strategy led to an increase in products sold to our customers:

- the number of property and personal insurance policies (excluding life insurance) reached 6.3 million, up 3.6% year-on-year;
- the number of mobile phone contracts fell slightly year-on-year to 553,000;
- the number of remote home surveillance subscriptions rose by 2.2% to pass the 117,000 mark.

In terms of profit, the CIC banking network saw a significant increase in its net banking income (+8.9%), which neared €4 billion. It benefited from the rise in the interest margin thanks in particular to the increase in income from loans and strong growth in fees and commissions (+10.2%).

General operating expenses rose by 3.1% to €2.3 billion.

The cost/income ratio improved by 3.2 percentage points to 58.0% and gross operating income was up nearly 18% to €1.7 billion.

The cost of risk showed a net reversal of €74 million compared with a net provision of €65 million in 2021, and profit before tax increased by 30% to €1.7 billion.

Net profit was €1.3 billion in 2022, up 35.8% year-on-year.

2.2. Consumer credit

2.2.1. Cofidis Group

Cofidis Group operates under three commercial brands, Cofidis, Créatis and Monabanq, and is active in nine European countries: France, Belgium, Spain, Italy, Portugal, Czech Republic, Hungary, Slovakia and Poland. Cofidis Group employs more than 5,700 people.

Cofidis Group had a very good year, with €10.1 billion of new business, €1.6 billion more than in 2021. This good level of activity was visible in both the direct business channel, which rose by 22%, and in referral business, which was up by 26%. E-commerce was the only activity that slowed, down 6% on 2021, when it had been buoyed by the health crisis. Outstanding loans reached €18.2 billion, up 13% versus the end of 2021.

The strategy to accelerate growth in the Monabanq remote banking activity showed results, with an increase of 54% in new current and savings accounts versus 2021. Deposits rose by 15% and the number of customers grew by 8%.

A key feature of the year was the very strong rise in the refinancing rate, which significantly penalized net banking income due to an additional net expense of nearly €70 million compared with 2021. The significant increase in outstandings and growth in fee income enabled an increase in net banking income of €72 million despite rising interest rates.

General operating expenses rose by €36 million, broadly in line with the recovery in activity, while payroll and employee benefit expenses were impacted by an increase in wage costs, despite a lower-than-budgeted headcount, linked to the measures to support purchasing power amid rising inflation.

The cost of risk was contained at 2.2% of outstanding loans, 20bp higher than the previous year. Past due outstandings remained low while collection activities were better than or similar to pre-Covid levels. Risk increased in 2022 in relation to 2021, which had benefited from historically low past due outstandings due to the Covid crisis.

Net profit came to €134 million, 12% lower than in 2021.

2.2.2. TARGOBANK Germany

TARGOBANK operates in over 250 German cities, meeting the needs of 3.6 million retail and business customers to whom it provides banking, consumer credit, insurance, factoring and finance leasing solutions.

TARGOBANK extended its business activity in October 2022 by integrating the German branch of Banque Européenne du Crédit Mutuel SAS which now operates under the new brand, TARGOBANK Corporate & Institutional Banking (TARGOBANK CIB). Its services include corporate banking, specialized financial services, commercial real estate financing, as well as payment services and investment products. The range of automotive financing products was extended to include camper vans and caravans.

New loans to individuals reached nearly €6 billion in 2022, up sharply on 2021.

In retail banking, outstanding loans grew by 9.9% to €19.7 billion and customer deposits reached €22.9 billion.

TARGOBANK's contribution to the net profit of the consumer credit business was €293 million, down slightly due to the rise in the cost of risk, while the more favorable interest rate environment and growth in the retail banking portfolio led to growth in net banking income of 3.1%.

The corporate activities (reported under "banking network" and "business subsidiaries") showed a distinct recovery with growth in the factoring and finance leasing businesses.

2.3. Business subsidiaries

The supporting business lines within retail banking - i.e., leasing, factoring, real estate - generated net banking income of €639.5 million (+10.2%) after fees paid to the network of and net profit of €128.0 million (compared with €152.8 million in 2021).

2.3.1. Factoring and receivables management in France

Crédit Mutuel Alliance Fédérale's factoring division comprises Crédit Mutuel Factoring, the core business that markets solutions through the Crédit Mutuel and CIC networks (under CIC Factoring Solutions), and Factofrance. It takes both a direct sales approach to businesses and uses a network of providers such as credit insurance brokers, financial advisers and chartered accountants. Thanks to the complementary nature of its distribution channels and its diverse range of financing offers for the operating cycle, such as traditional factoring or reverse factoring and receivables management (Daily transactions), the subsidiary covers the entire receivables financing market and has obtained a market share of 23%.

After a recovery in 2021 following the health crisis, purchased receivables reached a record volume of €98.5 billion in 2022, an increase of 17.1% for more than 12,400 customers. International business accounted for around 32.6% of its total revenue. During the year, the factoring subsidiary rolled out new offers targeting retail clients in particular.

Its net banking income grew by 17% year-on-year to €307 million thanks to an increase in the volume of purchased receivables and a rise in benchmark indices. General operating expenses remained under control. While the cost of risk increased, it remained at a very low level, and well below budget.

The division's total contribution to net profit came to €98 million, an increase of 44%.

2.3.2. Equipment and real estate leasing

2.3.2.1 Crédit Mutuel Leasing and CCLS (Leasing Solutions)

Crédit Mutuel Alliance Fédérale's leasing arm is a major player in equipment financing, with market share of over 16%¹ in France. It comprises three entities which operate in separate markets: Crédit Mutuel Leasing, CCLS and, since January 1, 2022, Bail Actea.

Bail Actea joined the leasing division following Crédit Mutuel Nord Europe's membership of Caisse Fédérale de Crédit Mutuel. It offers lease financing solutions to customers of its regional branch network and specialized divisions, which facilitates proximity, quick response times and access to expertise.

In 2022, business grew by 23% across the entire scope of the division, with income surpassing €6.6 billion. As a result, its outstandings increased to €14.5 billion. At constant scope, after eliminating Bail Actea from the scope of consolidation, volumes were up by more than 9% to nearly €6 billion. New international business topped €700 million, representing 11% of the division's total new business.

The integration of Bail Actea rounds out the multichannel offering, leading to synergies in the leasing business. It was achieved without affecting the company's sales momentum or value proposal and Bail Actea recorded its highest level of new business since its creation and growth of nearly 20% in relation to 2021.

The division's contribution to net banking income (after payment of commissions to the group networks) was up by nearly 19% to €256 million. Net profit totaled €19 million.

2.3.2.2 Crédit Mutuel Real Estate Lease

Crédit Mutuel Real Estate Lease is a major player in the French real estate leasing market. It meets the real estate investment needs of businesses, professionals, social economy players and institutions, and customers of Crédit Mutuel Alliance Fédérale. It offers tailored financing for the acquisition or construction of business premises: commercial, logistics and industrial premises, health care institutions, offices and hotels. Its products are distributed by the Crédit Mutuel banks under the Crédit Mutuel Real Estate Lease brand and by the CIC branches under the CIC Real Estate Lease brand.

¹ Source: ASF for market outstandings.

In 2022, Crédit Mutuel Real Estate Lease was again one of the leading players in France's real estate leasing market, with financing of nearly one billion euros.

Its total outstandings grew by 6% to €6.3 billion.

3. Insurance

(€ millions)	2022	2021	Change
Net insurance income	1,815	1,915	-5.2%
General operating expenses	(725)	(670)	+8.3%
Gross operating income	1,089	1,245	-12.5%
Net gains/(losses) on other assets and ECC ¹	(4)	(2)	n.s.
Profit before tax	1,085	1,243	-12.7%
Income tax	(253)	(358)	-29.4%
Net profit	832	884	-6.0%

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

The insurance business, which has been operated for more than 50 years by Groupe des Assurances du Crédit Mutuel (GACM), is fully integrated into Crédit Mutuel Alliance Fédérale in sales and technology terms. At the end of 2022, GACM covered more than 13 million policyholders through 36.6 million policies.

Insurance revenues, which are mainly generated in France, came to €13.3 billion, up 9.7% compared with 2021. This increase was mainly driven by growth of 12.5% in gross premium income for life insurance, capitalization and retirement savings contracts to €7.0 billion. Unit-linked contracts represented 37.3% of total gross premiums in France. Net premiums were substantially positive at €1.5 billion. They include €1.6 billion of net premiums on unit-linked contracts and a virtually balanced position on Euro funds versus a net outflow of €0.5 billion in 2021.

In 2022, GACM substantially increased the rate of returns to policyholders on Euro funds in France (by 1 point) to an average of 2.30%. This policy of increasing returns to policyholders is made possible by GACM's financial strength. The profit-sharing reserves established over the years amounts to 7.8% of life insurance reserves¹, one of the highest levels in the market. The financial assets comprising our general-purpose funds continued to generate unrealized capital gains.

Revenue from property & casualty and protection insurance came to €6.3 billion. Property & casualty insurance rose by 2.9% (of which +1.4% motor insurance and +5.2% home insurance) while health, protection & creditor insurance rose by 4.7% (of which health +1.6%, protection +4.1% and creditor +6.6%), underpinned by growth in contract portfolios.

Revenue generated by the international subsidiaries came to €607 million, comprising €192 million in Belgium and €403 million in Spain. At the end of 2022, GACM signed an agreement with Axa Espagne² for the sale by ACM SA of 100% of GACM España to Axa Espagne for €311.7 million³. This transaction is expected to be finalized in mid 2023⁴, subject to the necessary regulatory authorizations.

¹ Ratio of provisions for surplus distribution / actuarial provisions at end-2022.

² Axa Seguros Generales, S.A. de Seguros y Reaseguros.

³ An earn-out totaling a maximum of €20 million may be payable in amounts of €2 million a year for each year during which GACM España continues to benefit from the distribution agreement in place with TARGOBANK.

⁴ The creditor insurance policies marketed by Cofidis Espagne (written premiums of €47 million at end-2022) are not included in this transaction and will be transferred beforehand to ACM IARD SA and ACM Vie SA.

Commissions paid to the banking networks increased to €1.9 billion, €1.6 billion of which were paid to the Crédit Mutuel Alliance Fédérale entities.

The contribution to net profit was €832 million, 6.0% lower than in 2021. This drop is attributable to the fall in the financial markets in 2022, after strong gains in 2021, leading to a decrease in IFRS net profit following a revaluation of assets recognized at fair value through profit or loss.

Like the rest of the market, GACM recorded a very high level of weather-related claims in 2022 (hailstorms and drought), representing an unprecedented expense of €469 million, compared with €162 million in 2021. Under the reinsurance program that covered GACM in 2022 a claims expense of €164 million was transferred, representing 35% of recognized gross claims.

Also, rising inflation in France led to an increase in repair costs in car and home insurance. To help its policyholders maintain purchasing power, GACM has pledged to keep average premium increases below inflation in 2022 and 2023.

Meanwhile, the rise in technical rates used to calculate commitments as a result of the sharp increase in interest rates over the period had a positive impact on profit. This rise in rates, however, contributed to a net fall in the value of bond securities, causing a decrease in GACM's IFRS equity at end-2022. With €9.1 billion in shareholders' equity, GACM continues to benefit from a solid balance sheet structure that enables it to withstand this new economic environment without undue concern.

In keeping with its strategic growth targets in the professional and business markets, GACM rolled out a new group health offering during the first quarter. In parallel, it is working on the development of a strategy of partnerships to devise more tailored offerings for the professional and business customers of the Crédit Mutuel and CIC networks. GACM also continued to enhance its digital services, which included, among other things, the addition of new functionalities to e-declaration online platform. Nearly 50% of motor and home insurance claims were submitted online using the e-declaration system during the second half of the year, showing how effective GACM is in simplifying processes for policyholders and improving the quality of service.

As proof of this ongoing commitment, Crédit Mutuel was ranked first in the general ranking of insurance companies in the 2022 OpinionWay / Argus poll assessing the image, attractiveness and popularity of insurance companies. A result that reflects the strong relationship of trust created with its policyholders and the relevance of its mutualist banking and insurance model.

4. Specialized business lines

Asset management and private banking, corporate banking, capital markets and private equity round out the banking and insurance offering of Crédit Mutuel Alliance Fédérale. These four businesses account for 13% of net banking income¹ and 20% of net profit from operating activities².

4.1. Asset management and private banking

(€ millions)	2022	2021 ¹	Change at current scope	Change at constant scope ²
Net banking income	1,119	911	+22.8%	+1.1%
General operating expenses	(794)	(571)	+38.9%	+10.1%
Gross operating income	326	340	-4.1%	-14.0%
Cost of risk	(33)	(9)	n.s.	n.s.
Operating profit	293	331	-11.6%	-21.7%
Net gains/(losses) on other assets and ECC ³	15	0	n.s.	n.s.
Profit before tax	307	331	-7.2%	-21.8%
Income tax	(67)	(73)	-8.2%	-27.5%
Net profit	241	259	-6.9%	-20.2%

¹ Comparable scope - See methodology notes in section 6.3.1.

² Excluding first-time consolidations in 2022: CM Investment Managers, CIC Private Debt, La Française - See methodology notes in section 6.3.2.

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

Crédit Mutuel Alliance Fédérale's asset management and private banking business line comprises:

- **Crédit Mutuel Investment Managers which in turn comprises seven management companies;**
- **La Française, which encompasses four management companies and a distribution platform;**
- **Banque Transatlantique, Banque de Luxembourg and Banque CIC (Suisse).**

At €1.1 billion, the net banking income from asset management and private banking accounts for 6% of the net banking income of Crédit Mutuel Alliance Fédérale's operational business lines. It rose by 1.1% at constant scope in a difficult economic environment and amid strained financial markets.

In 2022, it benefited from the contribution of the following subsidiaries which were consolidated for the first time: La Française (net banking income €161.4 million), Crédit Mutuel Investment Managers (net banking income €16.6 million after fees paid to branch networks) and CIC Private Debt (net banking income €19.4 million).

General operating expenses increased by 10.1%, leading to a 14% fall in gross operating income to €326 million.

Net gains/(losses) on other assets and ECC comprises non-recurring income related to the first-time consolidation of Crédit Mutuel Investment Managers and CIC Private Debt.

Net profit came to €241 million in 2022 compared with €259 million in 2021.

This data does not include the private banking activity carried out through CIC's network and at its five regional banks, i.e., €235.8 million in net banking income (+5.2%) and €105.5 million in net profit (+11.9%).

¹ Excludes intra-group and holding company transactions.

² Excluding holding company services.

> Asset management

Crédit Mutuel Investment Managers is Crédit Mutuel Alliance Fédérale's asset management business center and comprises seven management entities. Following the integration of Crédit Mutuel Nord Europe within Crédit Mutuel Alliance Fédérale on January 1st, Groupe La Française, a subsidiary of CMNE that encompasses four management companies and a distribution platform, rounds out the asset management business. A broad range of services is offered to a diversified French and international customer base of institutional investors, large corporates, external distributors and third-party distribution networks, private banks, fund selectors, asset management advisors, etc. The asset management entities support the group's networks in all markets, including internationally. The division is present in various locations in Europe and Asia.

Crédit Mutuel Alliance Fédérale aims to become a major player in asset management in France and Europe, as part of an engaged and responsible approach, by creating a comprehensive asset management division of boutique third party management services.

This business was carried out in a generally complex environment in 2022, with total income from asset management reaching €579 million and pre-tax profit of €202 million.

Assets under management amount to €166 billion at the end of 2022.

Money market funds, a significant activity for Crédit Mutuel Alliance Fédérale, staged an upturn thanks to the rise in ECB rates, bringing net outflows for the year to €3.6 billion and assets under management to €33.6 billion. Net inflows into asset management products, excluding money market funds, totaled €6.6 billion, amid very high volumes of business. There was sustained interest in funds other than money market funds despite renewed aversion to risk. Some segments were particularly sought after, such as gold, dividends and flexible funds. A prime interest in sustainable investments was reflected in the level of demand for the entire Carbon Impact range, the assets of which reached €1 billion.

After a difficult first half, equity fund management recorded a net inflow of €550 million.

At the year-end, with interest rates turning positive, fixed-maturity bond funds saw a revival of interest among investors. The CM-AM OBLI IG 2025 and CM-AM HIGH YIELD 2026 funds attracted €1 billion, bringing assets under management in bond funds to more than €10 billion, reflecting the importance of this category of instrument.

With net inflows of €2.2 billion from retail customers, **La Française Real Estate Managers**, the real estate backbone of the La Française group, maintained its leading position in the French market for real estate funds with €32.7 billion in assets under management. The various SCPI funds continued to attract interest in all retail networks due to their attractive yields. The popularity of unit-linked real estate investments remained undimmed, a trend in which the **Groupe La Française** participated.

Against a volatile backdrop, there was strong demand from retail, corporate and private banking customers for the EMTN structured products (EMTN) put together by CIC under the **CIC Market Solutions** brand, with assets under management rising by €2.6 billion, and sustained momentum in the issuance of new products. This expertise is also rolled out under a white label offering, for which major market distributors can tender.

CIC Private Debt attracted new investors, with net inflows reaching €200 million, bringing its assets under management to €2.9 billion.

The management company NewAlpha, a subsidiary of La Française, continued to grow and ended the year with assets under management of €2.9 billion.

At 31 December, the complete offering from all of the management entities included 267 responsible investment funds, 232 funds promoting environmental and/or social criteria (Article 8) and 35 funds with a sustainable investment goal (Article 9). 76 funds have been awarded a label by external bodies. New thematic impact funds are to be created to meet new investor demand.

Internationally, in addition to its operations in Europe, in Germany, Belgium, Spain, Italy and Luxembourg, the **Groupe La Française** has drawn up a new expansion plan for Asia, involving recruitment in South Korea and a new entity in Singapore, with a view to improving its coverage of the region, and Australia in particular.

> Private banking

Despite a very turbulent economic environment, **Groupe Banque Transatlantique** delivered good results in 2022. Net banking income rose by 1.5% to €197.7 million versus €194.8 million in 2021. This can be attributed to business volumes at all the Group's entities in France and outside France. Moreover, a decrease was recorded in the performance fees and outperformance fees of its subsidiary Dubly Transatlantique Gestion compared with the level seen in 2021 (strong stock market activity in 2021). Net profit was down by 7% to €60.6 million versus €65.5 million in 2021. The cost/income ratio was 57.3% (3.5 basis points compared to 2021).

Outstanding savings amount to €52 billion, rising during the second half of the year. Capital inflows remained strong.

The lending activity, particularly real estate loans, remained strong despite the rise in interest rates. Outstanding loans amounted to €4.7 billion at December 31, 2022, with €1 billion in new loans over the year, an increase of nearly 20% compared with 2021.

The bank confirmed its leading position in the management of stock option and share incentive plans, with 16 company plans added in the year, and now including management for unlisted companies, startups in particular.

Support for philanthropic projects also continued to grow, with nearly €2 million provided via the Fonds de Dotation Transatlantique (€14 million since its inception in 2012), which celebrated its 10th anniversary in 2022.

Banque de Luxembourg posted solid performances across all its business lines in 2022, thanks to strong sales momentum in the individual, corporate, and wealth management segments and a strong rise in net interest income.

Net banking income came to €354.1 million in 2022, up by 9%, with net profit of €98 million, 11% more than in 2021. This increase can be attributed to a 69% increase in net interest income to €100.1 million while net fee and commission income fell by a slight 3% to €244 million in a difficult stock-market environment. In this context, outstanding customer loans were also down slightly at €122 billion at the year-end.

Banque de Luxembourg has also continued to make its sustainability ambitions reality. It intends to meet the expectations of its stakeholders, requirements of the B Corp certification as well as the regulations in force, by launching numerous initiatives to be deployed over the coming years.

In 2022, **Banque CIC (Suisse)** continued to grow, with total assets of €13.3 billion and more than 445 employees. It takes advantage of its omnichannel approach by combining personal support and proximity to customers with the e-banking solution, CIC eLounge. To target younger customers and meet the needs of a modern customer base, it has launched the CIC ON offering, which combines the best of traditional and digital banking, and allows customers to pick their banking services according to their needs.

Volumes increased significantly in 2022, with savings up by 3.7% to €17.3 billion and loans up by 8.0% to €9.8 billion.

Net banking income rose by 24% to nearly €200 million. Revenues were more broadly diversified and refinancing with customer funds was particularly stable. Net financial income of €33.4 million was lower than in 2021, due to the increase in provisions.

4.2. Corporate banking

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

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

Corporate banking commitments rose by €4.3 billion to €60.2 billion, in terms of both drawn and undrawn credit lines, including €3.4 billion for France and €0.96 billion for the branches.

Net banking income increased by 9.4% to €471 million in 2022. This increase reflected strong growth in income from large corporates as a result of robust lending activity and an increase in fee income, a slight fall in income from structured financing and an improvement in income from international financing at the branches.

The cost of risk showed a net reversal of €7 million compared with €39 million in 2021.

Net profit was therefore down slightly by 1.6% to €260 million versus €264 million in 2021.

In **structured financing** (acquisition financing, project financing, asset financing and securitization), there was a sharp slowdown in underwriting of acquisition financing, which was offset by strong momentum in project financing, asset financing and securitization. Overall, new loan issuance remained solid, amounting to €4.2 billion over the year, similar to the level seen the previous year. Profit on a like-for-like basis (not including dividends from CIC Private Debt in 2022) came out 14% lower than in 2021, which was an exceptional year, particularly due to a negative cost of proven risk (provision reversals) over the period. Profit before tax totaled €171 million. Net banking income came to €222 million.

The **large corporates (CIC Corporate)** activity supports the development of listed and unlisted major French and foreign industrial companies and financial institutions with revenue of more than €500 million as part of a long-term relationship. Customers continued their medium-term investments and projects during 2022, despite a difficult bond market and unfavorable macroeconomic factors. Income was up strongly thanks to new loans and an increase in fee income arising from profitable and strategic capital transactions.

The **international business department** helps corporate customers carry out their international projects. In a strained geopolitical and economic environment, volumes of confirmed documentary credit rose by 16.8%, reflecting a focus on supporting exporting companies by securing their transactions and settlements.

This focus is also visible in the support given to French companies seeking to expand their activities abroad. Support was provided to 302 companies, with the teams at our overseas offices efficiently representing their clients abroad and acting as effective contact points.

4.3. Capital markets

(€ millions)	2022	2021 ¹	Change
Net banking income	342	351	-2.7%
General operating expenses	(236)	(232)	+1.8%
Gross operating income	106	119	-11.3%
Cost of risk	(1)	(3)	-83.0%
Profit before tax	105	116	-9.2%
Income tax	(28)	(28)	-2.0%
Net profit	77	87	-11.6%

¹ Comparable scope - See methodology notes in section 6.3.1.

CIC Marchés comprises the commercial capital markets business - under the CIC Market Solutions brand - for corporate customers and financial institutions, the investment activity, and the post-market services for these businesses.

Despite a deterioration in market conditions, the last quarter, marked by a strong rebound, enabled the capital markets business to post a robust level of NBI (€342 million euro), down from 2021 (-2.7%), an exceptional year of post-Covid recovery.

Gross operating income amount to €106 million. Total net profit from capital markets activities was €77 million.

CIC Market Solutions will enjoy solid overall growth in 2022. Net banking income under IFRS will amount to €169 million, compared with €127 million at the end of 2021, representing growth of 33%. This growth is mainly driven by EMTN issues and interest rate, currency and commodity hedging activities.

The **investment** business line (including France and the New York, Singapore and London branches) made net banking income of €173 million in 2022 compared with €224 million in 2021. Despite the significant fall recorded by the benchmark indices (equities, credit), the strong rebound in the fourth quarter enabled the business line to generate robust earnings, albeit lower than in 2021 (an exceptional year given the post-Covid recovery).

4.4. Private equity

(€ millions)	2022	2021	Change
Net banking income	430	518	-17.1%
General operating expenses	(75)	(77)	-2.0%
Gross operating income	355	442	-19.7%
Cost of risk	2	-21	n.s.
Profit before tax	357	420	-15.2%
Income tax	(17)	(4)	n.s.
Net profit	340	416	-18.3%

Crédit Mutuel Alliance Fédérale provides capital financing to start-ups, SMEs and mid-caps through Crédit Mutuel Equity, which encompasses all the group's equity financing businesses: innovation capital, development capital, buyout capital, as well as investment in infrastructure projects and M&A advisory services. Crédit Mutuel Equity finances development projects mainly in France through its eight locations in the regions - Paris, Lyon, Nantes, Bordeaux, Lille, Strasbourg, Marseille and Toulouse - but also internationally through its subsidiaries in Germany, Belgium, Switzerland and Canada.

Crédit Mutuel Equity invests the capital of Crédit Mutuel Alliance Fédérale to make a long-term commitment alongside company managers to help them carry out the necessary transformation of their business models and create financial value as well as non-financial value, and progress through the different stages of economic, social and environmental development.

This commitment is borne out by the fact that it has held more than a quarter of its 329 equity interests for more than ten years. Portfolio turnover nonetheless remains very dynamic, reflecting Crédit Mutuel Equity's strength in the market, with an average of more than one billion euros invested and divested every two years.

In 2022, more than €436.5 million was invested as part of a prudent policy taking into account the prevailing geopolitical uncertainty, the resulting economic impact on projected corporate growth and the resulting valuation multiples. Over four years, more than €2 billion has been used to finance new projects or support portfolio companies.

The portfolio of investment assets surpassed €3.3 billion, demonstrating the strong momentum of these businesses across all segments.

Total income reached €430 million, the second highest level on record after 2021, which was an exceptional year in view of the post-Covid recovery. Three quarters of this amount stems from capital gains.

Net profit was high at €340 million thanks to strong activity in growth and merger opportunities within the prudently valued portfolio lines, particularly in the sectors affected by the crisis. CIC Conseil posted a record level of fees billed on mergers and acquisitions.

As an investor that is serious about its societal commitments, Crédit Mutuel Equity adopts a vision that is service oriented and focused on sustainability and human considerations, favoring balanced financial structures, respecting project timeframes and ensuring a fair redistribution of value.

5. Other business lines: IT, logistics, media and others

This segment mainly comprises:

- the “logistics” business line, which includes the Group’s IT companies and logistics organizations;
- the regional daily newspaper business, which comprises nine newspapers: *Vosges Matin*, *Le Dauphiné Libéré*, *Le Bien Public*, *L’Est Républicain*, *Les Dernières Nouvelles d’Alsace*, *L’Alsace*, *Le Progrès de Lyon*, *Le Républicain Lorrain*, and *Le Journal de Saône-et-Loire*. These regional newspapers are distributed in 23 départements in eastern France;
- holding company activities.

Net banking income came to €1,026 million compared with €987 million in 2021, attributable mainly to an increase in revenue at the IT business lines.

Operating income came to €172 million, down in relation to 2021 due to:

- a slight fall of €183 million in the logistics segment, for which revenues rose at a faster rate than costs;
- a slight deterioration in the media business (-€14 million) due to the increase in costs;
- a fall in net income to €3 million for the holding company activities.

The result was a net loss before tax of €1,045 million, compared with a net loss of €746 million in 2021. This mainly stemmed from the item “Net gains/(losses) on other assets”, which includes an adjustment in the value of goodwill on TARGOBANK in Germany linked to the rise in the discount rate and an additional provision linked to the potential sale of TARGOBANK Espagne to ABANCA, as announced by the group on December 22, 2022.

Focus on the media business

Although faced with a complex environment due to the soaring cost of paper, energy and transport, and the structural erosion of its print business, the EBRA group has continued its digital transformation. Digital subscriptions rose by 26% and digital advertising rose by more than 3 percentage points, increasing from 15.6% to 18.7% of the group’s advertising revenue.

EBRA applied a strategic plan in 2022, which covers four key objectives:

- strengthen the content and services offerings that create value and foster engagement;
- develop a model for profitable and sustainable revenue growth;
- invest in profitable new growth drivers;
- support the personal development of staff members and promote a culture of excellence.

This plan goes hand in hand with the *raison d’être*: “Acting to strengthen close and trust-based relations between players in our regions”.

To crystallize this transformation, the visual identity of the group and its subsidiaries was completely overhauled to make it more striking, coordinated and recognizable.

The EBRA group continued to diversify its activities by acquiring Humanoid, a company that operates three pure-play brands (*Frandroid*, *Numerama* and *Madmoizelle*) that rack up more than 30 million visits a month. This will help push up visitor numbers and attract younger viewers.

Despite generating stable revenue and efforts to control expenses to partly offset the rise in material costs, the EBRA group made a net loss in 2022.

6. Additional information

6.1. Liquidity and refinancing

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

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

A key factor impacting 2022 was the move by central banks to counteract unprecedented, sustained inflation by introducing swift and substantial interest rate hikes.

The gradual reopening of economies from the end of 2021 as the pandemic began to fade had already caused a significant imbalance between supply and demand and bottlenecks in supply chains, which fueled inflationary pressure.

The invasion of Ukraine by Russia at the end of February accelerated this trend, with energy and food prices rising by record levels. This twin shock led to structurally high inflation. Central banks worldwide had little choice but to adopt restrictive monetary policies. A race against time ensued as they strove to rapidly stem the course of inflation by swiftly and steadily hiking interest rates: the Fed raised its rates from 0.25% to 4.50% and the ECB raised its rates from -0.50% to 2% within a few months.

These monetary policy movements weighed on the economic outlook, raising the specter of a worldwide recession.

They also caused a lot of volatility on the financial markets, making life difficult for issuers and narrowing issuance opportunities.

Meanwhile, investors had a difficult year with falling valuations due to the sharp rise in interest rates but also because of the poor performance of credit spreads.

BFCM, for its part, came through all of its issuance programs unscathed, having ramped up its refinancing program in anticipation of the end of TLTRO conditions in 2023 and 2024.

In total, external funding obtained in the markets stood at €156.8 billion at the end of 2022, an increase of 8.3% compared with 2021.

Short-term money market funding (less than one year) totaled €50.7 billion at the end of 2022, up by 17.7% versus 2021. It accounted for 32% of all market funding raised, two percentage points more than in 2021.

Medium- and long-term (MLT) funding totaled €106.1 billion at end-2022, a 4.3% increase compared with 2021. In 2022, Crédit Mutuel Alliance Fédérale raised €20.7 billion in MLT funding, primarily under the BFCM name, but also via Crédit Mutuel Home Loan SFH, the covered bond issuing entity with the best agency ratings. 82.7% of this MLT funding was raised in euros and the balance in foreign currencies (US dollar, yen, pound sterling, Swiss franc and Norwegian krone), demonstrating good diversification of the investor base.

Public issues and private placements represent respectively 91% and 9% of the total. The average length of medium and long-term funding raised in 2022 was 6.1 years, comparable to the average for 2021.

2022 refinancing program

In 2022, public issues had a total value of €18.8 billion and were made up as follows:

- BFCM – senior EMTNs:
 - €750 million in a 7-year social bond issue in November.
 - €5.25 billion in 3, 5 and 10-year senior bonds issued in March, September and November.
 - GBP1.05 billion in 3 and +6-year bonds issued in January and November.
 - CHF175 million in a 5-year issue in June.
 - USD1.7 billion in 3 and 5-year US144A bonds issued in July.
 - JPY52.2 billion in 5, 7 and 10-year Samurai bonds issued in October.
- BFCM - non-preferred senior EMTNs: €3.0 billion in 10, 6 and 7-year notes issued in January and May in connection with MREL management.
- BFCM – Tier 2 EMTNs: €1.25 billion in 5-year notes issued in June.
- Crédit Mutuel Home Loan SFH: €5.25 billion in 5/+5, 7 and 10-year financing in March, June, October and December.

LCR and liquidity buffer

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

- an average LCR in 2022 of 153.3% (vs. 181.3% in 2021);
- average HQLA (High Quality Liquid Assets) of €132.8 billion, 81% of which is deposited at central banks (mainly the ECB).

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

Crédit Mutuel Alliance Fédérale (€ millions)	12/31/2022
Cash deposited at central banks	105.1
LCR securities (after LCR haircut)	24.9
<i>Level 1 HQLA included in the above</i>	21.6
Other eligible central bank assets (after ECB haircut)	60.0
TOTAL LIQUIDITY RESERVES	190.0

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

Planned refinancing operations

The various amounts allocated by the EIB continued to be assigned to end-beneficiaries in the Crédit Mutuel Alliance Fédérale network in 2022 and some were drawn down by BFCM.

Allocation of the "Young Farmers & Climate Action" package is in the process of being finalized. A new contract was signed in November 2022 for similar funds for the agricultural sector in 2023 for up to €80 million.

SMEs and mid-tier businesses monitored by our corporate network are eligible to apply for the "BEI PME & ETI III" financing. €250 million was drawn down, repayable in five years at a fixed rate.

Lastly, BFCM drew down the first tranche of €150 million in a package of loans for the medical profession repayable in seven years at a fixed rate. It is aimed at professionals and/or SMEs operating in the pharmaceutical and healthcare sectors, notably in regions where access to medical experts is suboptimal or under served.

6.2. Outstanding loans and deposits

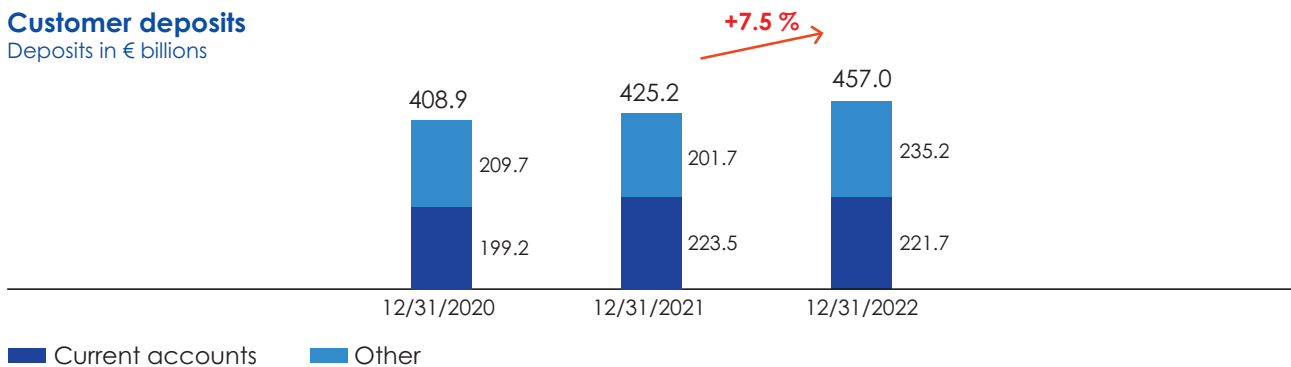
Customer deposits

Deposits amounted to €457 billion at the end of 2022, up 7.5% year-on-year. As from January 1, 2022, this figure includes the deposits of Crédit Mutuel Nord Europe, i.e., €22.7 billion at the end of 2022. Deposits rose by 2.1% at constant scope.

Inflows into Livret Bleu and Livret A passbook accounts were particularly high in 2022, rising by 10.5% at constant scope, to nearly €48 billion. The circumstances were particularly favorable for regulated savings products in 2022 with Livret Bleu, Livret A and LLDS passbook accounts recording a four-fold increase in remuneration rates, from 0.5% in January to 2% in August, at a time when the unstable financial market environment prompted customers to seek more liquid and secure products. This interest rate environment was also favorable for other passbook accounts (+4.7% at constant scope) and term deposit accounts (+8.6% at constant scope). In contrast, there was a strong outflow of over €10 billion from current accounts.

Customer deposits

Deposits in € billions



Customer loans

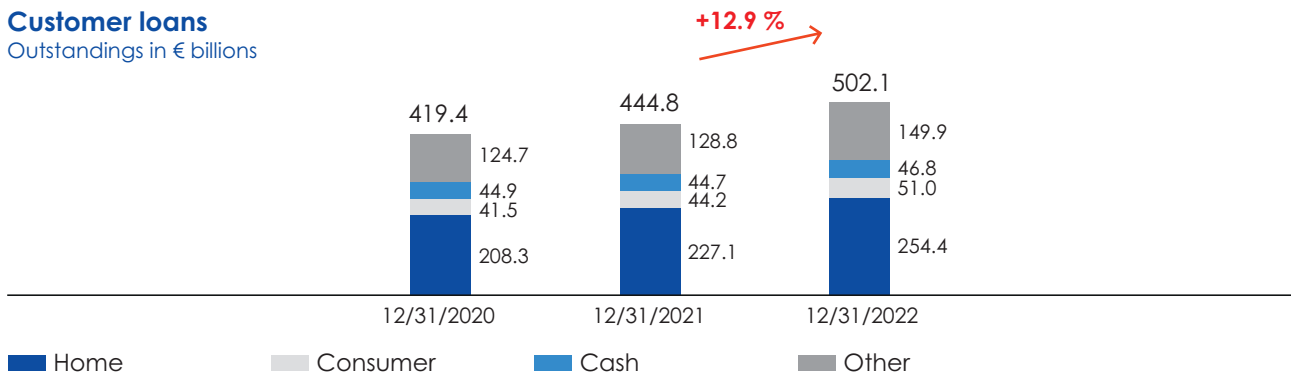
At the end of 2022, outstanding loans had moved above the €500 billion mark to €502.1 billion, an increase of 12.9% year-on-year. As from January 1, 2022, this figure includes outstanding loans relating to Crédit Mutuel Nord Europe, i.e., €20.5 billion at the end of 2022. Outstanding loans rose by 8.2% at constant scope.

After the recovery in 2021, outstandings grew in all the main loan categories :

- home loans rose by 6.9% to €254.4 billion;
- outstanding consumer loans rose by 7.6% to €51 billion;
- other loans including equipment loans rose by 16.3%.

Customer loans

Outstandings in € billions



6.3. Methodology notes

6.3.1. Change in segmentation

With effect from the first half of 2022, the income statement is now subdivided into four segments, namely Retail banking, Insurance, Specialized business lines and Other business lines. The segments are themselves split into business lines as shown in the organization chart on page 42.

The main changes in relation to the published data for 2021 are set out below:

Analysis of income statement by business segment - NEW SEGMENTATION

12/31/2021 (€ millions)	Retail banking	Insurance	Specialized business lines	Other businesses	Total
Net banking income	10,811	1,915	2,211	987	15,923
General operating expenses	(6,680)	(670)	(1,008)	(778)	(9,136)
Gross operating income	4,131	1,245	1,203	208	6,787
Cost of counterparty risk	(705)	-	6	0	(699)
Gains on other assets	(5)	(2)	0	(859)	(866)
Profit/(loss) before tax	3,421	1,243	1,209	(650)	5,222
Income tax	(1,067)	(358)	(183)	(95)	(1,703)
Net gains/losses on discontinued activities	9	-	-	-	9
Net profit/(loss)	2,363	884	1,026	(746)	3,527
Non-controlling interests	-	-	-	-	284
NET PROFIT ATTRIBUTABLE TO THE GROUP	-	-	-	-	3,243

Analysis of income statement by business segment - OLD SEGMENTATION

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12/31/2021 (€ millions)	Retail banking	Insurance	Financing and capital markets	Private banking	Private equity	Logistics & holding company	Inter- activities	Total
Net banking income	11,014	1,915	809	677	518	2,010	(1,020)	15,923
General operating expenses	(6,806)	(670)	(367)	(434)	(77)	(1,803)	1,020	(9,136)
Gross operating income	4,208	1,245	442	244	442	207	0	6,787
Cost of counterparty risk	(705)	-	35	(8)	(21)	0	(0)	(699)
Gains on other assets	(5)	(2)	-	0	-	(859)	(0)	(866)
Profit/(loss) before tax	3,499	1,243	477	235	420	(653)	0	5,222
Income tax	(1,089)	(358)	(111)	(46)	(4)	(95)	-	(1,703)
Net gains/losses on discontinued activities	9	-	-	-	-	-	-	9
Net profit/(loss)	2,418	884	367	190	416	(748)	0	3,527
Non-controlling interests	-	-	-	-	-	-	-	284
NET PROFIT ATTRIBUTABLE TO THE GROUP	-	-	-	-	-	-	-	3,243

- Retail banking: some specialized subsidiaries were transferred to the "Specialized business lines" segment ("Asset management and private banking" business line) and to the "Other business lines" segment ("Holding company activities" business line);
- Insurance: no change;
- The new "Specialized business lines" segment encompasses the former "Financing and markets", "Private banking" and "Private equity" segments as well as some entities previously reported under "Retail banking".
- "Other business lines" covers the former "Logistics and holding company services" and "Intra-group elimination" columns as well as one entity formerly reported under "Retail banking".

Additional details on the business lines in the "Other business lines" segment are provided in the tables below:

Details of "specialized business lines" segment - **NEW SEGMENTATION**

31/12/2022 (€ millions)	Asset management & private banking	Corporate banking	Capital markets	Private equity	Specialized business lines
Net banking income	911	430	351	518	2,211
General operating expenses	(571)	(128)	(232)	(77)	(1,008)
Gross operating income	340	303	119	442	1,203
Cost of counterparty risk	(9)	39	(3)	(21)	6
Profit/(loss) before tax	331	341	116	420	1,209
Income tax	(73)	(77)	(28)	(4)	(183)
Net profit/(loss)	259	264	87	416	1,026

Details of "specialized business lines" segment - **OLD SEGMENTATION**

12/31/2021 (€ millions)	Private banking	Corporate banking	Capital markets	Private equity	Specialized business lines
Net banking income	678	430	379	518	2,004
General operating expenses	(434)	(128)	(239)	(77)	(877)
Gross operating income	244	303	139	442	1,127
Cost of counterparty risk	(9)	39	(3)	(21)	6
Profit/(loss) before tax	236	341	136	420	1,133
Income tax	(46)	(77)	(33)	(4.5)	(161)
Net profit/(loss)	190	264	103	416	972

- The new "Asset management & private banking" business line includes:
 - All subsidiaries previously included in "Private banking";
 - Crédit Mutuel Asset Management and Crédit Mutuel Épargne Salariale, which were previously reported under "Retail Banking" / "Subsidiaries of the banking network", and Cigogne Management, which was previously reported under "Capital Markets";
 - Entities consolidated for the first time in the first half-year: Group La Française, Crédit Mutuel Investment Managers and CIC Private Debt.
- "Capital markets activities": one entity previously reported under this business line was transferred to the new "Asset management & private banking" business line: Cigogne Management.

6.3.2. Changes at constant scope

Changes at constant scope are calculated after eliminating:

- For 2022: data for newly consolidated entities, namely Crédit Mutuel Nord Europe, Crédit Mutuel Investment Managers and CIC Private Debt (affects "Retail banking", "Asset management and private banking" and "Other business lines");
- For 2021: data for Floa Bank, which was deconsolidated with effect from January 2022 (affects the "Retail banking" segment).

Crédit Mutuel Alliance Fédérale

(€ millions)	2022	change in scope*	2022 excl. change in scope	2021	change in scope	2021 excl. change in scope	Over 2022/2021	2022/2021 per cst
Net banking income	17,340	902	16,439	15,923	-	15,923	+8.9%	+3.2%
General operating expenses	(10,329)	(704)	(9,624)	(9,136)	-	(9,136)	+13.0%	+5.3%
of which: supervisory and resolution expenses	(421)	(11)	(410)	(314)	-	(314)	+34.1%	+30.7%
Gross operating income	7,012	198	6,814	6,787	-	6,787	+3.3%	+0.4%
Cost of risk	(768)	(30)	(738)	(699)	-	(699)	+9.9%	+5.6%
Cost of proven risk	(891)	(11)	(880)	(587)	-	(587)	+51.6%	+49.8%
Cost of non-proven risk	123	(19)	142	(111)	-	(111)	n.s.	n.s.
Operating profit	6,244	168	6,076	6,088	-	6,088	+2.6%	-0.2%
Net gains/(losses) on other assets and ECC	(1,185)	4	(1,189)	(866)	-	(866)	+36.9%	+37.4%
Profit before tax	5,059	172	4,887	5,222	-	5,222	-3.1%	-6.4%
Income tax	(1,556)	(62)	(1,495)	(1,703)	-	(1,703)	-8.6%	-12.2%
Net gains/losses on discontinued activities	-	-	-	9	9	-	n.s.	n.s.
Net profit	3,502	110	3,392	3,527	9	3,519	-0.7%	-3.6%
Non-controlling interests	174	-	174	284	-	284	-38.9%	-38.9%
Net profit attributable to the group	3,329	110	3,218	3,243	9	3,234	+2.6%	-0.5%

* Crédit Mutuel Nord Europe, Crédit Mutuel Investment Managers, CIC Private Debt.

Retail banking

(€ millions)	2022	change in scope*	2022 excl. change in scope	2021	change in scope	2021 excl. change in scope	Over 2022/2021	2022/2021 per cst
Net banking income	12,139	695	11,444	10,811	-	10,811	+12.3%	+5.9%
General operating expenses of which: supervisory and resolution expenses	(7,490)	(540)	(6,950)	(6,680)	-	(6,680)	+12.1%	+4.0%
	(283)	(10)	(272)	(224)	-	(224)	+26.1%	+21.5%
Gross operating income	4,648	155	4,493	4,131	-	4,131	+12.5%	+8.8%
Cost of risk	(752)	(30)	(722)	(705)	-	(705)	+6.7%	+2.4%
Cost of proven risk	(837)	(11)	(826)	(567)	-	(567)	+47.5%	+45.6%
Cost of non-proven risk	85	(19)	104	(137)	-	(137)	n.s.	n.s.
Operating profit	3,896	125	3,772	3,426	-	3,426	+13.7%	+10.1%
Net gains/(losses) on other assets and ECC	12	1	11	(5)	-	(5)	n.s.	n.s.
Profit before tax	3,908	126	3,782	3,421	-	3,421	+14.2%	+10.6%
Income tax	(1,110)	(46)	(1,064)	(1,067)	-	(1,067)	+4.1%	-0.2%
Net gains/losses on discontinued activities	-	-	-	9	9	-	n.s.	n.s.
Net profit	2,798	80	2,718	2,363	9	2,354	+18.4%	+15.5%

* Crédit Mutuel Nord Europe.

Asset management and private banking

(€ millions)	2022	change in scope*	2022 excl. change in scope	2021	change in scope	2021 excl. change in scope	Over 2022/2021	2022/2021 per cst
Net banking income	1,119	198	922	911	-	911	+22.8%	+1.1%
General operating expenses	(794)	(164)	(629)	(571)	-	(571)	+38.9%	+10.1%
Gross operating income	326	33	292	340	-	340	-4.1%	-14.0%
Cost of risk	(33)	0	(33)	(9)	-	(9)	x 3.8	x 3.8
Operating profit	293	34	259	331	-	331	-11.6%	-21.7%
Net gains/(losses) on other assets and ECC	15	15	-	-	-	-	n.s.	n.s.
Profit before tax	307	48	259	331	-	331	-7.2%	-21.8%
Income tax	(67)	(14)	(53)	(73)	-	(73)	-8.2%	-27.5%
Net profit	241	34	206	259	-	259	-6.9%	-20.2%

* Crédit Mutuel Nord Europe (Group La Française), Crédit Mutuel Investment Managers, CIC Private Debt.

6.4. Alternative performance indicators

Name	Definition/calculation method	For the ratios, justification of use
cost/income ratio	ratio calculated from items in the consolidated income statement: ratio of general operating expenses (sum of items "employee benefit expense", "other general operating expenses" and "allocations/reversals of depreciation, amortization and provisions for property, plant and equipment and intangible assets") to "net banking income"	measure of the bank's operational efficiency
cost of risk for customer loan losses as a percentage of outstanding loans (expressed in % or basis points)	net additions to provisions for customer loan losses as stated in the notes to the consolidated financial statements as a percentage of gross outstanding loans at the end of the period	Enables assessment of the level of risk as a percentage of credit commitments on the balance sheet
cost of risk	item "cost of counterparty risk" in the publishable consolidated income statement	measures the level of risk
customer loans	Item "loans and receivables due from customers at amortized cost" on the asset side of the consolidated balance sheet	measure of customer activity in terms of loans
cost of proven risk	impaired assets (S3): see note "cost of counterparty risk"	measures the level of proven risk (non-performing loans)
cost of non-proven risk	12-month expected losses (S1) + expected losses at maturity (S2): see note "cost of counterparty risk." Application of IFRS 9.	measures the level of non-proven risk (for performing loans)
customer deposits; accounting deposits	"due to customers at amortized cost" item on the liabilities side of the consolidated balance sheet	measure of customer activity in terms of balance sheet resources
insurance-based savings	life insurance products held by our customers - management data (insurance company)	measure of customer activity in terms of life insurance
bank savings products, customer funds managed and held in custody	off-balance sheet savings products held by our customers or under custody (securities accounts, mutual funds, etc.) - management data (group entities)	representative measure of activity in terms of off-balance sheet funds (excluding life insurance)
total savings	sum of account deposits, insurance-based savings and bank savings products	measure of customer activity in terms of savings
operating expenses, general operating expenses, management fees	sum of lines "employee benefit expense", "other general operating expenses" and "allocations/reversals of depreciation, amortization and provisions for property, plant and equipment and intangible assets" in the publishable consolidated income statement	measures the level of general operating expenses
interest margin, net interest revenue, net interest income	calculated from items in the consolidated income statement: difference between interest received and interest paid: - interest received = "interest and similar income" item in the publishable consolidated income statement - interest paid = "interest and similar expenses" item in the publishable consolidated income statement	representative measure of profitability
loan to deposit ratio	ratio calculated from items in the consolidated balance sheet: ratio expressed as a percentage of total customer loans to customer deposits	measure of dependency on external refinancing
coverage ratio	determined by calculating the ratio of credit risk provisions (S3 impairments) to the gross outstandings identified as in default in accordance with regulations (gross receivables subject to an S3 individual impairment)	this coverage ratio measures the maximum residual risk associated with loans in default ("non-performing loans")
ratio of non-performing loans to gross loans	ratio of gross receivables subject to an S3 individual impairment to gross customer loans (calculated from "loans and receivables due from customers" note to the consolidated financial statements: gross receivables + finance leases)	indicator of asset quality

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

(€ millions)

Cost/income ratio	2022	2021	2020
General operating expenses	(10,329)	(9,136)	(8,867)
Net banking income	17,340	15,923	14,238
Cost/income ratio	59.6%	57.4%	62.3%

Net profit / risk-weighted assets (RoRWA) - annualized	2022	2021	2020
Net profit	3,502	3,527	2,595
Average risk-weighted assets (RWA)	262,611	239,460	229,769
Net profit / risk-weighted assets - annualized	1.33%	1.47%	1.13%

Loan-to-deposit ratio	12/31/2022	12/31/2021	12/31/2020
Net customer loans	502,097	444,825	419,413
Customer deposits	456,983	425,197	408,901
Loan-to-deposit ratio	109.9%	104.6%	102.6%

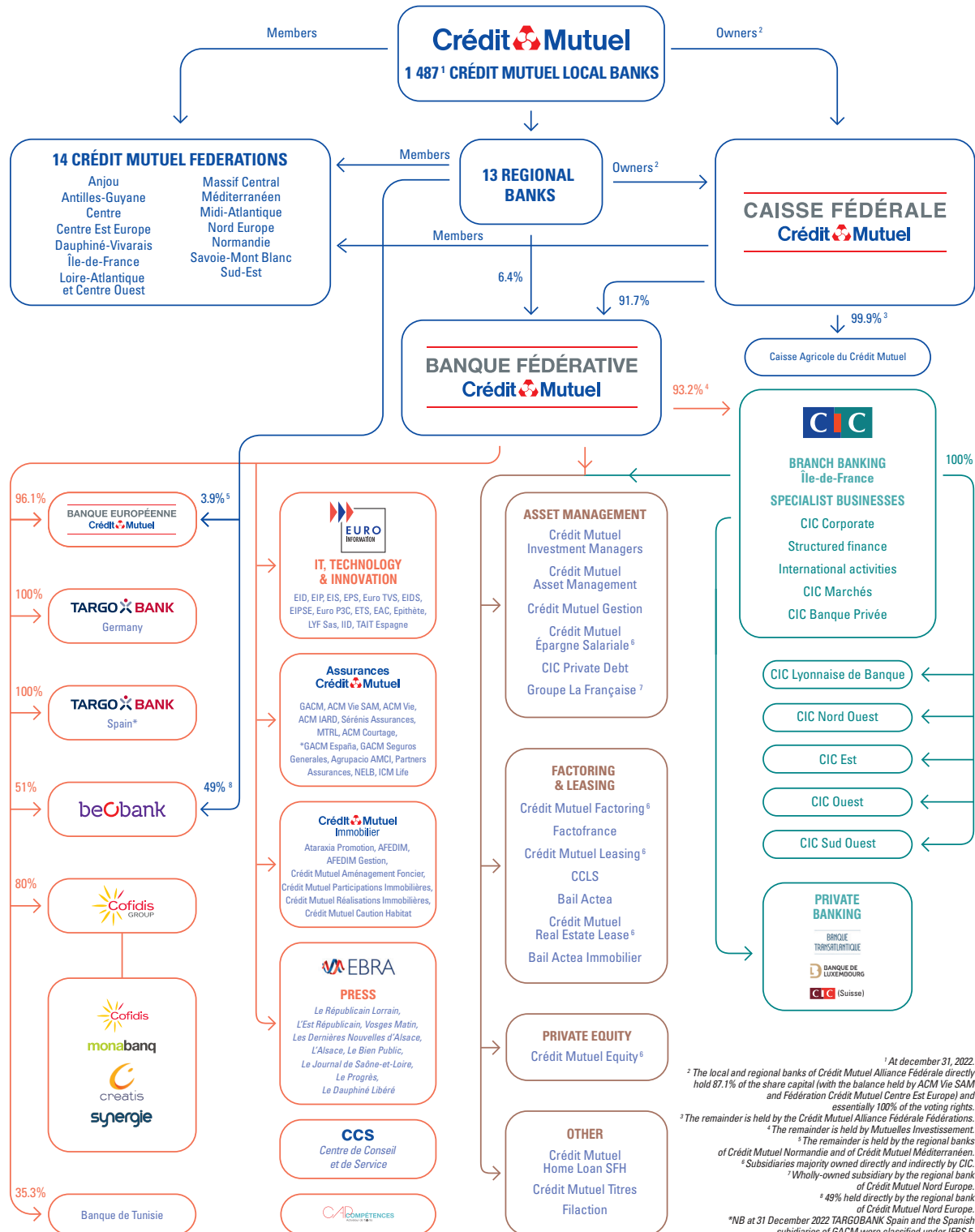
Coverage ratio	12/31/2022	12/31/2021	12/31/2020
Expected losses on impaired assets (S3)	(6,278)	(5,949)	(6,509)
Gross receivables subject to individual impairment (S3)	13,181	11,723	12,497
Total coverage ratio	47.6%	50.8%	52.1%

Overall coverage ratio	12/31/2022	12/31/2021	12/31/2020
Provisions for impairment in value on doubtful (S3) and performing loans (S1 and S2)	(9,571)	(9,195)	(9,611)
Gross receivables subject to individual write-downs (S3)	13,181	11,723	12,497
Overall coverage ratio	72.6%	78.4%	76.9%

Non-performing loan ratio	12/31/2022	12/31/2021	12/31/2020
Gross receivables subject to individual impairment (S3)	13,181	11,723	12,497
Gross customer loans	511,668	454,020	429,024
Non-performing loan ratio	2.6%	2.6%	2.9%

Cost of risk as a percentage of outstanding loans - annualized	2022	2021	2020
Cost of risk for customer loan losses	(833)	(701)	(2,008)
Average gross customer loans	482,844	441,522	411,002
Cost of risk as a percentage of outstanding loans - annualized	0.17%	0.16%	0.49%

7. Simplified organisation chart of Crédit Mutuel Alliance Fédérale*



* At December 31, 2022.

¹ At December 31, 2022.
² The local and regional banks of Crédit Mutuel Alliance Fédérale directly hold 87.1% of the share capital (with the balance held by ACM Vie SAM and Fédération Crédit Mutuel Centre Est Europe) and essentially 100% of the voting rights.
³ The remainder is held by the Crédit Mutuel Alliance Fédérale Fédérations.
⁴ The remainder is held by Mutuelles Investissement.
⁵ The remainder is held by the regional banks of Crédit Mutuel Normandie and of Crédit Mutuel Méditerranéen.
⁶ Subsidiaries majority owned directly and indirectly by CIC.
⁷ Wholly-owned subsidiary by the regional bank of Crédit Mutuel Nord Europe.
⁸ 49% held directly by the regional bank of Crédit Mutuel Nord Europe.
*NB at 31 December 2022 TARGOBANK Spain and the Spanish subsidiaries of GACM were classified under IFRS 5.