ARKEA

Investor Presentation

November 2019

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The condensed consolidated financial statements for the six month period ended 30th June 2019 have been approved by the Board of Directors dated 28th August 2019 and have been subject to a limited review. They are available within the Company's universal registration document for the year ended 31st December 2018, constituting the half yearly financial report for the six month period ended 30th June 2019.

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Arkéa’s organisation & development strategy

Arkéa's cooperative organisation

The **inverted pyramid** principle

MEMBERS

MEMBER CERTIFICATES

CCM SOCIÉTÉ COOPÉRATIVE DE CRÉDIT

CCM SOCIÉTÉ COOPÉRATIVE DE CRÉDIT

CCM SOCIÉTÉ COOPÉRATIVE DE CRÉDIT

SHAREHOLDINGS

Crédit Mutuel ARKEA

SOCIÉTÉ ANONYME COOPÉRATIVE

OWNS

Subsidiaries

- *Crédit Mutuel de Bretagne Federation*
- *Crédit Mutuel du Sud-Ouest Federation*
- *Crédit Mutuel Massif Central Federation (until 01/01/2020)*

ARKEA

Arkéa group's activities

A **regional** base, an outreach
beyond historic territories of location

4.6 million clients of which **1.5** million members

3,016 directors in **328** local savings banks

10,500 employees

Retail banking

Crédit Mutuel de Bretagne
Crédit Mutuel du Sud-Ouest
Crédit Mutuel Massif Central
fortuneo BANQUE
KEYTRADE BANK
CFCAL UNE FILIALE DU Crédit Mutuel ARKEA
Financo
max
leetchi
pumpkin

Corporates & institutions

ARKEA BANQUE ENTREPRISES ET INSTITUTIONNELS
ARKEA CAPITAL
ARKEA LENDING SERVICES
ARKEA CRÉDIT BAIL
BRESSST SMART SCIENCES & STARTUPS

Insurance – Asset Management

SURAVENIR UNE FILIALE DU Crédit Mutuel ARKEA
SURAVENIR ASSURANCES UNE FILIALE DU Crédit Mutuel ARKEA
NOVELIA UNE FILIALE DU Crédit Mutuel ARKEA
ARKEA INVESTMENT SERVICES
PRIMONIAL

Non-banking activities

ARKEA ON LIFE
ARMORIQUE HABITAT UNE FILIALE DU Crédit Mutuel ARKEA
ARKEA IMMOBILIER CONSEIL
Groupe IZIMMO

BtoB market

PROCAPITAL UNE FILIALE DU Crédit Mutuel ARKEA
MONEXT
ARKEA BANKING SERVICES
MANGOPAY
NEXTALK

ARKEA

The 3 key factors of Arkéa's strategy

An **innovative and collaborative** approach, where one generates value **by creating interactions with the ecosystem**

Territorial anchoring, particularly with the networks' coverage and a **dynamic investment policy** in regional companies

A culture of innovation that enables Arkéa to overcome historic boundaries and to grow the group's influence all over France and even beyond

- The group has thereby become **one of the leaders in on-line banking** in Europe with Fortuneo Banque and Keytrade Bank
- **The provision of while label banking services** also allows Arkéa to keep up to date with market knowledge and to continuously raise its performance standards

An intermediate size, in a "massifying" industry", provides agility, proximity and the needed responsiveness to be **a reference partner of the digital ecosystem**, with which Arkéa implements various forms of co-operation

Territorial anchoring with private equity

Arkéa's financing activities **serve the regions** and their players

With 5 dedicated vehicles and **a €1bn investment capacity**, Arkéa Capital covers all business development stages

2 Innovation Capital vehicles for start-ups

- West Web Valley — Digital economy
- WEPOSITIVEINVEST — CSR fund

3 Development Capital vehicles for SMEs and Mid-caps

- ARKEA CAPITAL INVESTISSEMENT — SME management projects
- ARKEA CAPITAL MANAGERS — Support management to strengthen shareholder structure
- ARKEA CAPITAL PARTENAIRE — Large regional companies

Start-ups

algo, Shopopop, PHENIX

SMEs in the regions

Oceania Hotels, Hénaff, ROLLER GRILL, nemea résidences vacances, sateco

Mid-caps

SERMETA, PAPREC, ALTRAD, ARMOR

With **more than half of its investments completed outside of Arkéa's historical regions**, Arkéa Capital supports the growth of companies throughout the entire French territory

More than 100 companies **in all business sectors,** with an average investment below €5 M

Territorial anchoring with public sector lending

A **key player** in financing **local authorities** & **public institutions** in France

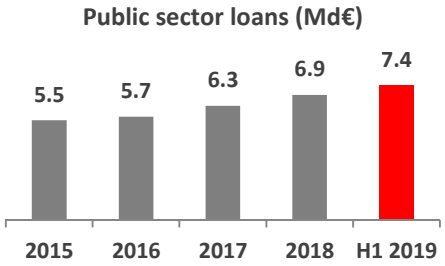
Arkéa Banque Entreprises & Institutionnels (ABEI) provides financing to **French public local authorities** as well as private players with missions of general interest:

- Local authorities: regions, “départements”, “métropoles”, municipalities and groups of municipalities
- Health & Care institutions
- Social housing organisations
- Local public companies and development agencies

11 regions financed by ABEI, out of 13
2 out of 3 “départements”
15 of the largest “métropoles”

€7.4 bn of loans to the public sector on Arkéa’s balance sheet at the end of June 2019

- Includes loans generated by ABEI and the 3 Crédit Mutuel Federations
- 12% of total outstanding loans, with a regular growth of the book



A culture of innovation

Innovative solutions to support **members and clients'** life projects and to meet their expectations

PAYMENT

2005 **Virtualis**
Virtual cards

2017 **Apple Pay**

2018 **Paylib P2P**
and instant (1st)

SECURITY

2016 **Fingerprint**
authentication

2018 **Samsung Pay**
+ Garmin Pay + Fitbit Pay

2018 Electronic
Signature

2018 **Anti-fraud**
AI & behavioural biometrics

2019 **Chatbot**
Distance selling

2017 **MAX**
Fintech

2018 **Authentication**
cross chanel

2016 Blockchain
KYC

2017 **EER9.0**
Open an account
in 9 minutes

2016 **CIEL**
100%-on-line
Home loans

1995 **Internet** (1st)

1982 **Minitel** (1st)

2009 **iPhone** (1st)

2015 **Apple Watch,**
+ Android Wear

2014 **Google Glass** (1st)

CLIENT EXPERIENCE

Main achievements in the first half of 2019

Territories

End of bank charges
for financially fragile populations

Capital investment in regional companies

1st investment completed by

BREIZH ARMOR CAPITAL

A fund aimed at supporting the Breton marine economy

A €500 M funding envelope
To support actions to revive town centres

Innovation

1st bank in France
to make **instant payment** via a mobile number **possible**

Mobile payment

Payment via connected watch (Mastercard)

Mobile payment via Samsung Pay (Max clients)

& via Google Pay (Fortuneo et Max clients)

Les magasins U and Monext present the 'U paiement' application

More customised services
with Google Cloud

BtoB

First transactions for

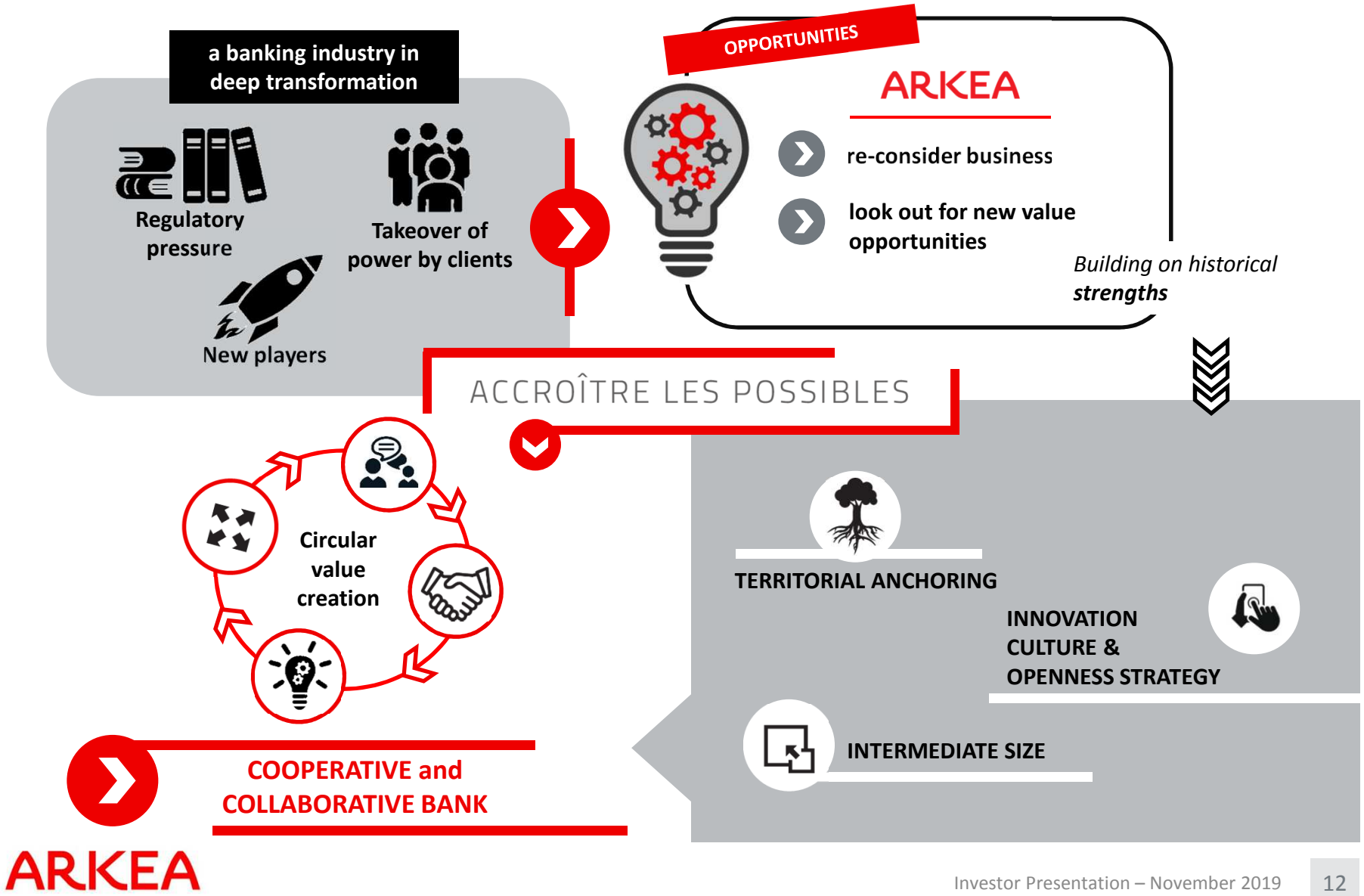
ARKEA LENDING SERVICES

ARKEA ON LIFE + libify

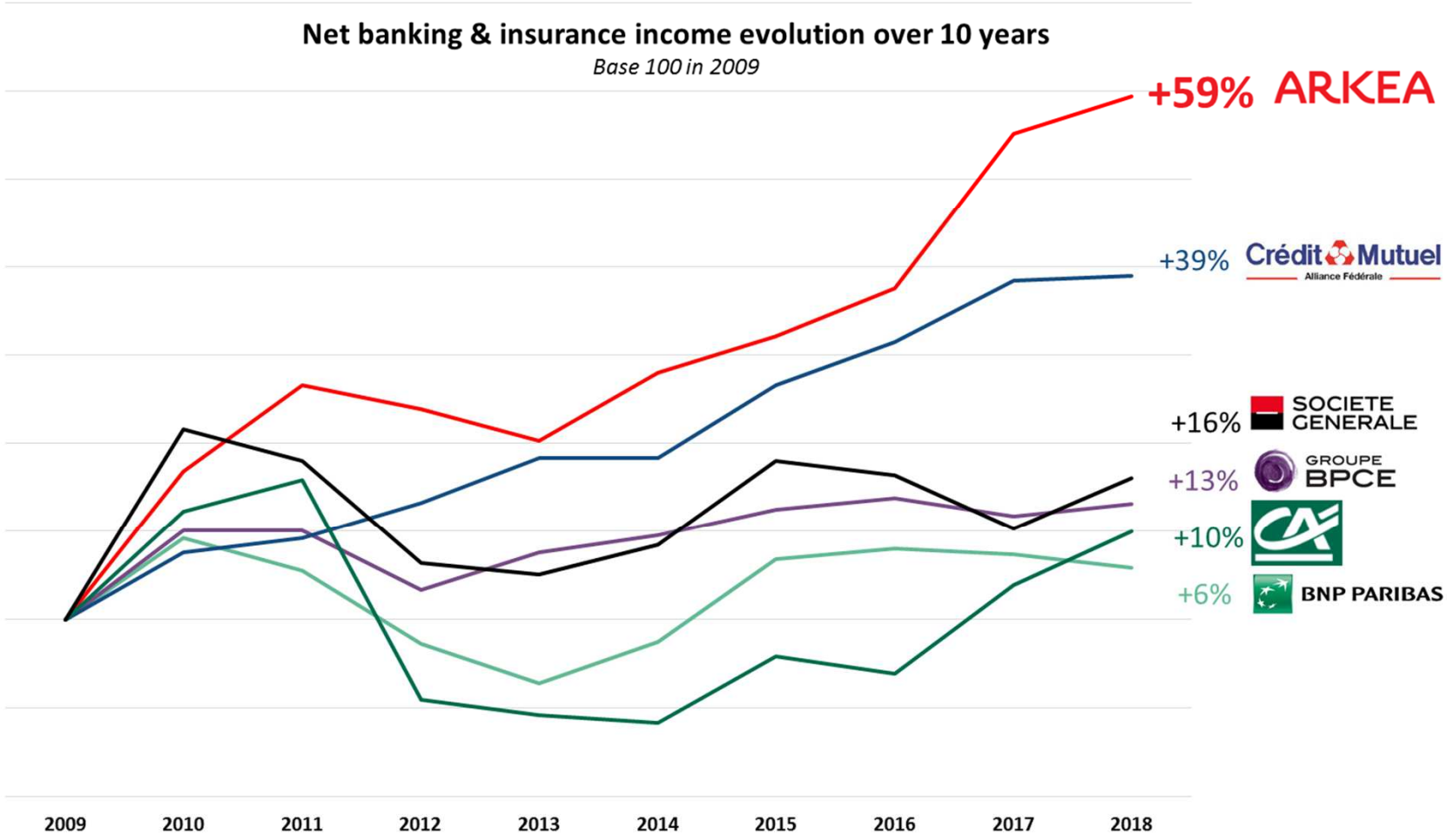
Deployment in Germany of an
all-inclusive offer of connected remote assistance services

40 % of e-commerce transactions
in France operated by
MONEXT

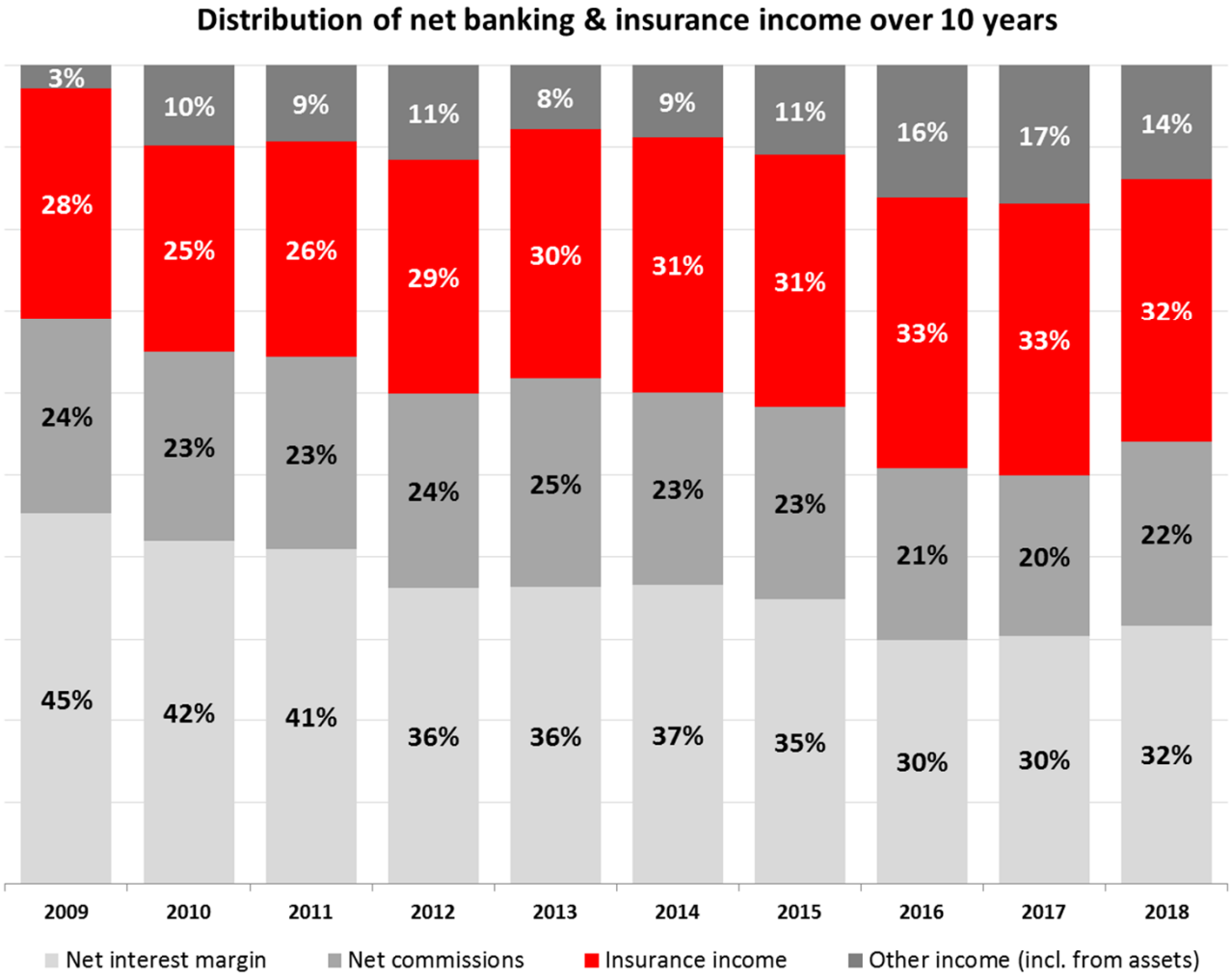
A development strategy based on collaboration to create circular value



A pertinent strategy resulting in a significant income growth

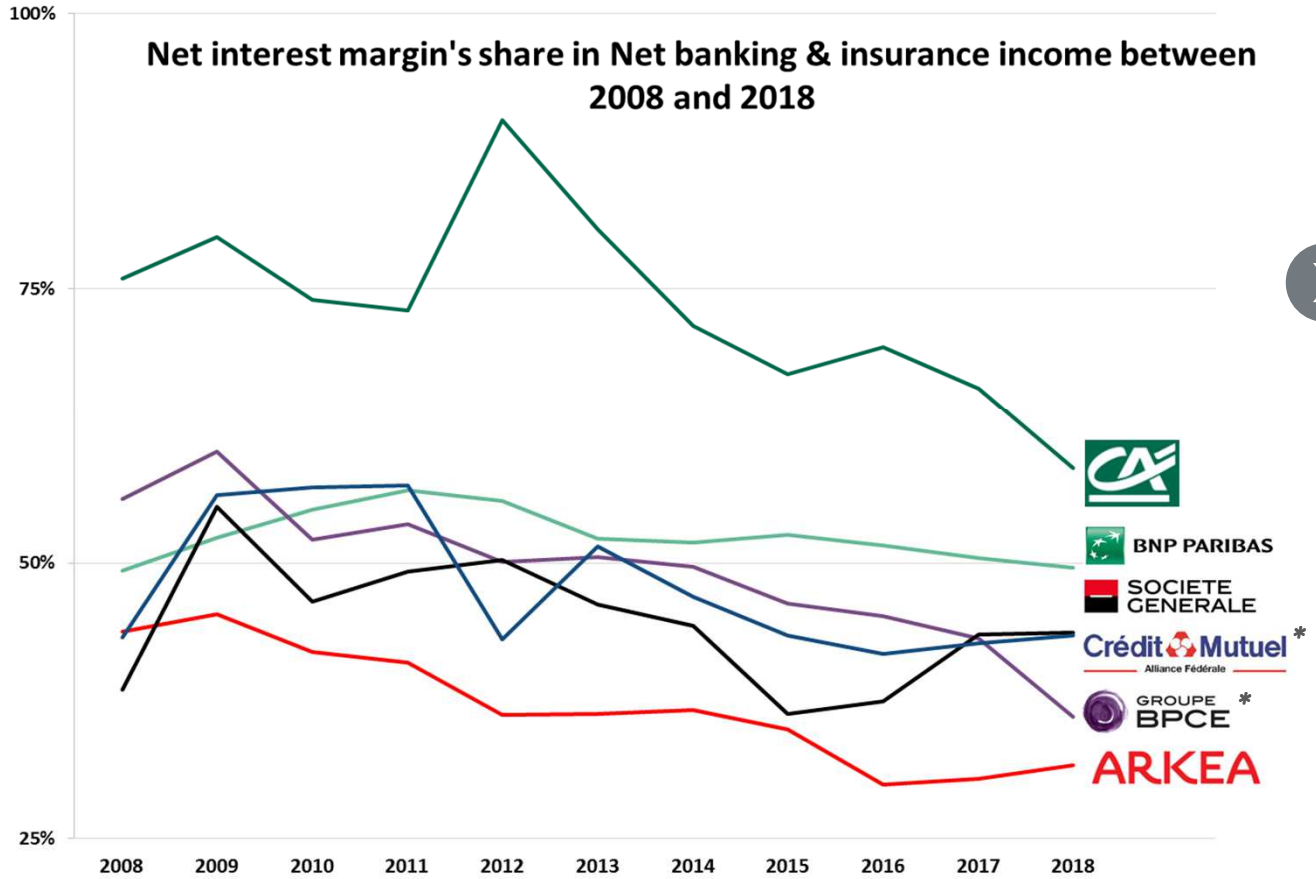


A growth coupled with a diversification of income sources



A remarkable increase of the share of **insurance income** and **other income** that make up **46% of net banking and insurance income in 2018**

A lower dependence to interest rate fluctuations for Arkéa



Major strategic directions resulting in **revenue diversification**, enabling Arkéa to be **less dependent to interest rate levels**

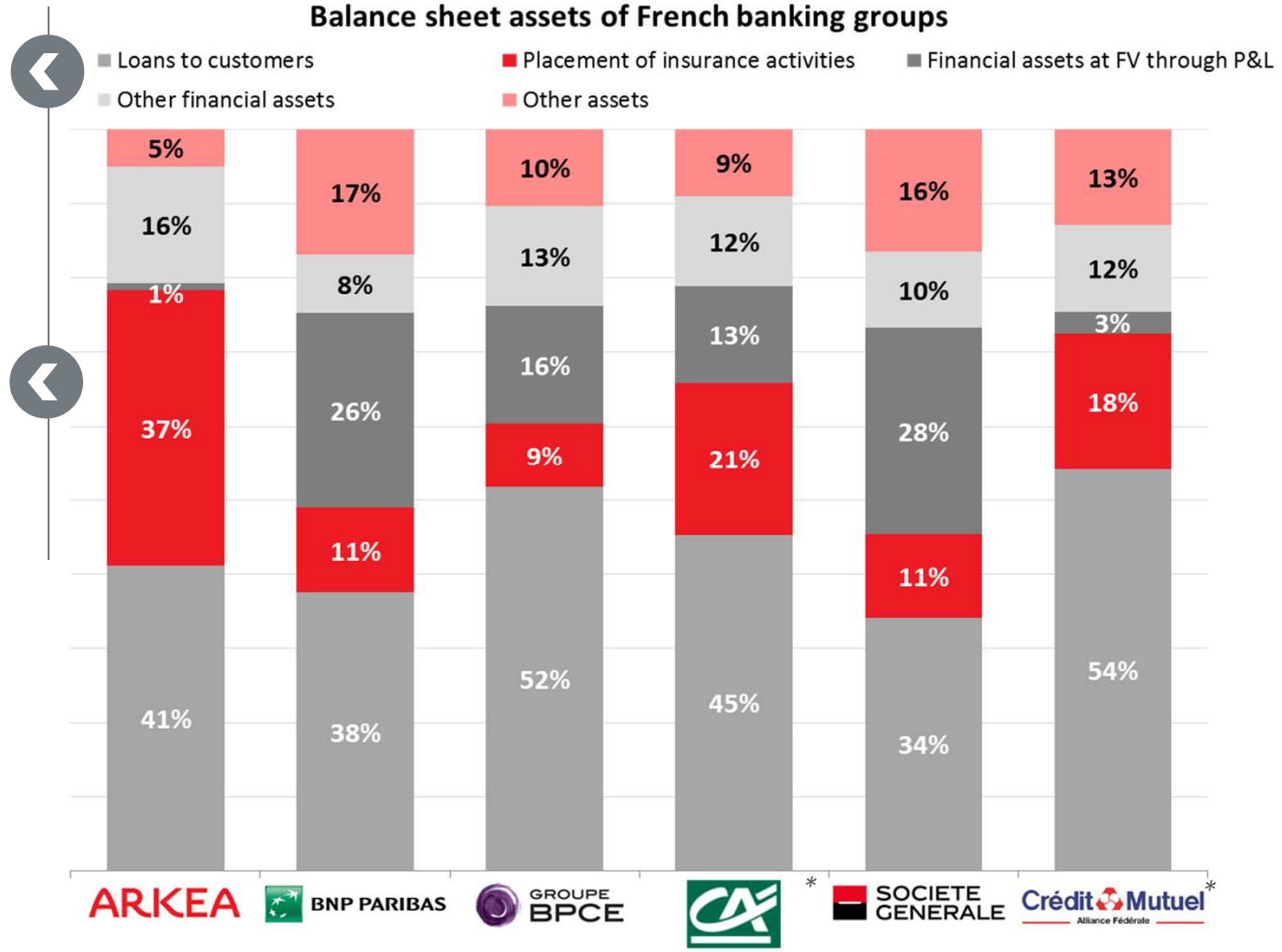
** Estimate based on data as at 30/06/2018*

A structure of assets generating regular income

With a balance sheet structure based on **loans to customers** and on **insurance**, Arkéa enjoys recurrent income

Moreover, only a small part of Arkéa's assets (1%) are classified as financial assets at fair value through profit or loss

A business model generating a regular, profitable and balanced growth



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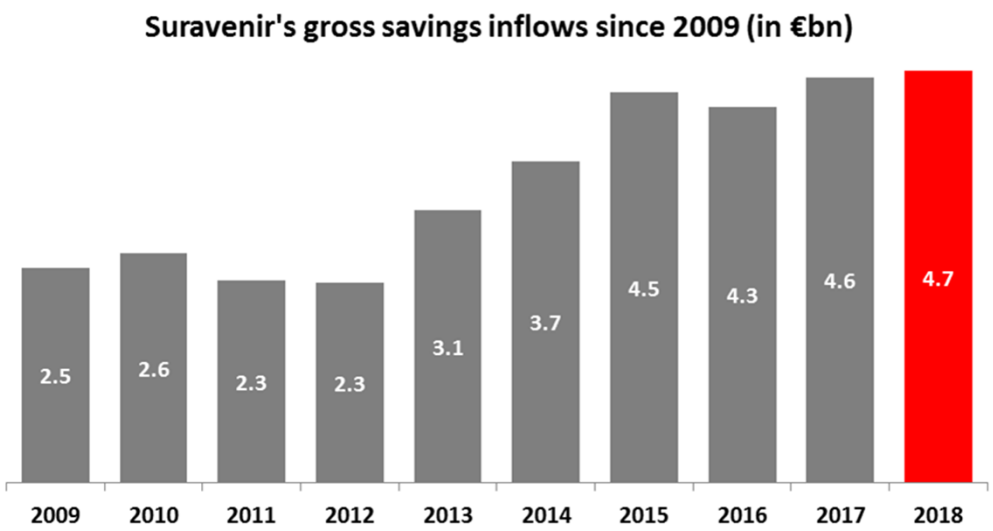
** Data as at 30/06/2018*

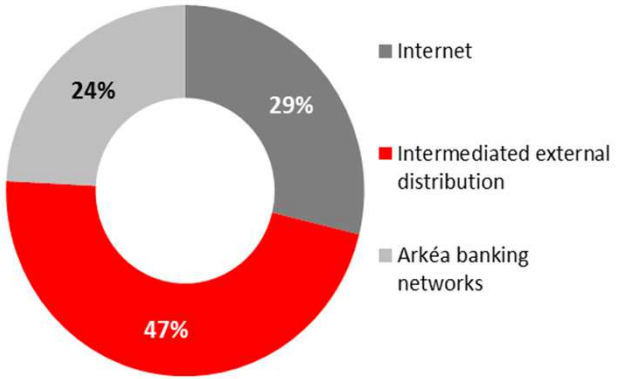
An increase of savings inflows with the multiplicity of distributors

Arkéa's strategy of building external partnerships contributes to the income growth

Suravenir: an illustration in life insurance



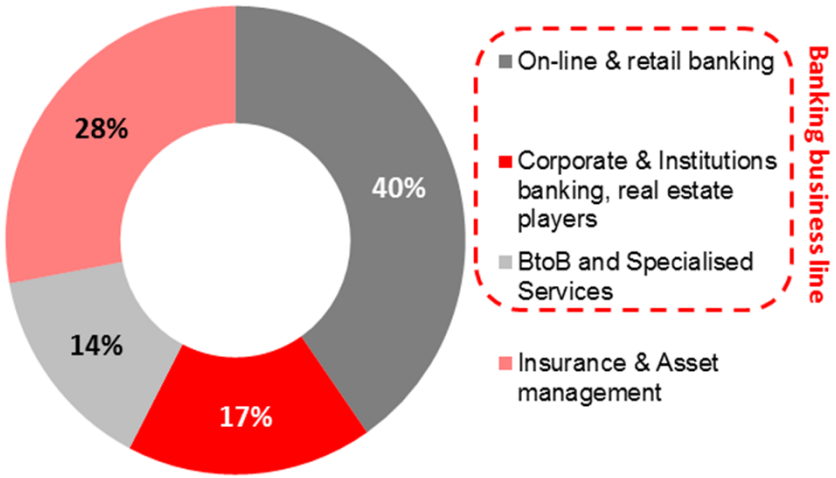
An increase of **91 % in 10 years** of gross savings inflows



76% of Suravenir's gross savings inflows come from the **internet and from external distribution networks** (+ 4 pts vs. 2017)

A growth driven by a sectorial and geographic diversification

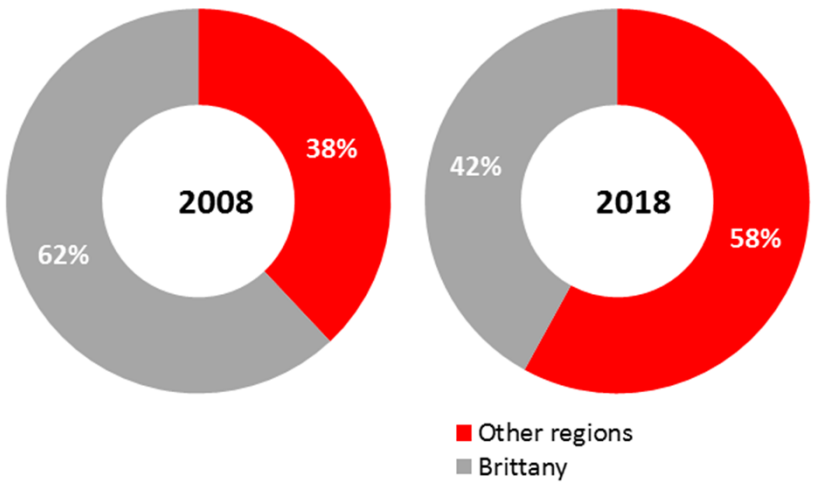
Sectorial distribution of H1-2019 revenues



B2B and B2B2C activities contribute to the income growth

14% of Arkéa's H1 2019 revenues come from the development of the B2B & Specialised Services division**

Net banking & insurance income by area*



In 2018, **58% of Net banking & insurance income was generated outside Brittany** (vs. 38% in 2008)

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** Arkéa's own estimate*
***Excluding B2B activities from other divisions*

An exceptional growth path since 2008

Growth since 31/12/2008

x 14
Net income
(GROUP SHARE)
€437 M *y.e. 31/12/2018*
versus €31 M
y.e. 31/12/2008

+ 98 %
Net banking & insurance income
€2.15 bn *y.e. 31/12/2018*
versus €1.08 bn
y.e. 31/12/2008

+ 141 %
Outstanding savings
€111.2 bn *as at 31/12/2018*
versus €46.2 bn
as at 31/12/2008

+ 96 %
Total assets
€135 bn *as at 31/12/2018*
versus €69 bn
as at 31/12/2008

x 2.6
Equity
(GROUP SHARE)
€6.7 bn *as at 31/12/2018*
versus €2.6 bn
as at 31/12/2008

+ 93 %
Outstanding loans
€56.5 bn *as at 31/12/2018*
versus €29.3 bn
as at 31/12/2008

An **outstanding** trajectory

- confirming **the pertinence of the business model** and **strategy**
- providing **resources for independence**

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2019
Half-Year results

Dynamics confirmed in the 1st half of 2019

Outstanding performances, a **robust financial structure**

Dynamic commercial development

Expanding **client** portfolio

+ 1.8 %

Increased outstanding gross **loans**

+ 5.2 %

Growing outstanding **savings**

+ 5.7 %

Revenues at their highest level

Revenues

Growing net banking & insurance income

€1,116 M i.e. + 3.1 %

Risk

Moderate cost of risk

€34 M i.e. 12 bps of outstanding client exposures

Net income

Slightly lower net income group share

€244 M i.e. – 0.9 %

A robust financial structure

Gross **Loan** to **deposit** ratio

105 %

CET 1

Common Equity Tier One ratio

17.5 %

Liquidity

Liquidity reserves of

€19.1 bn

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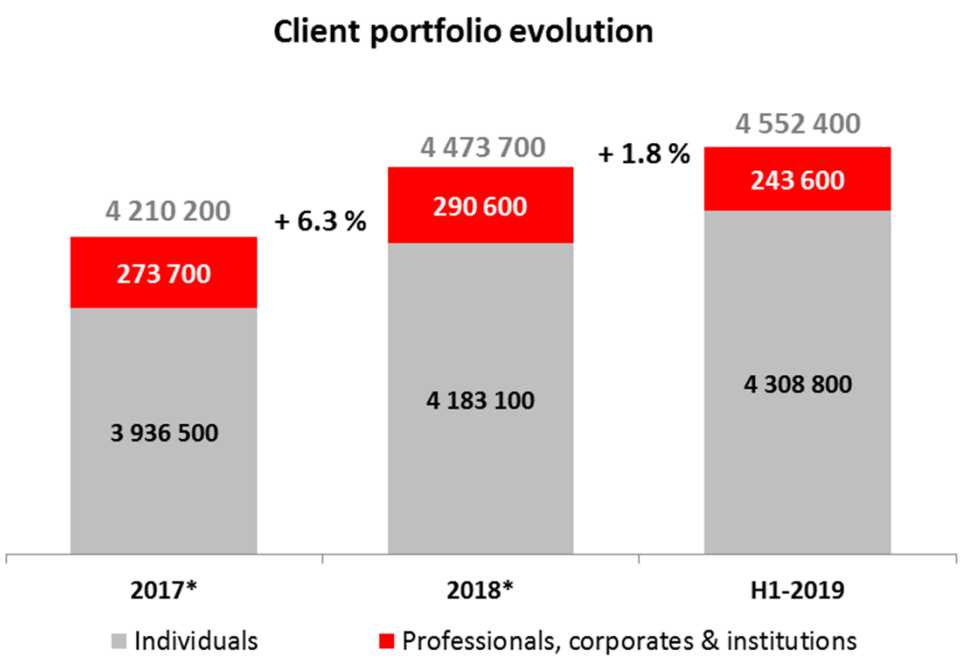
A client portfolio growing by 1.8 %



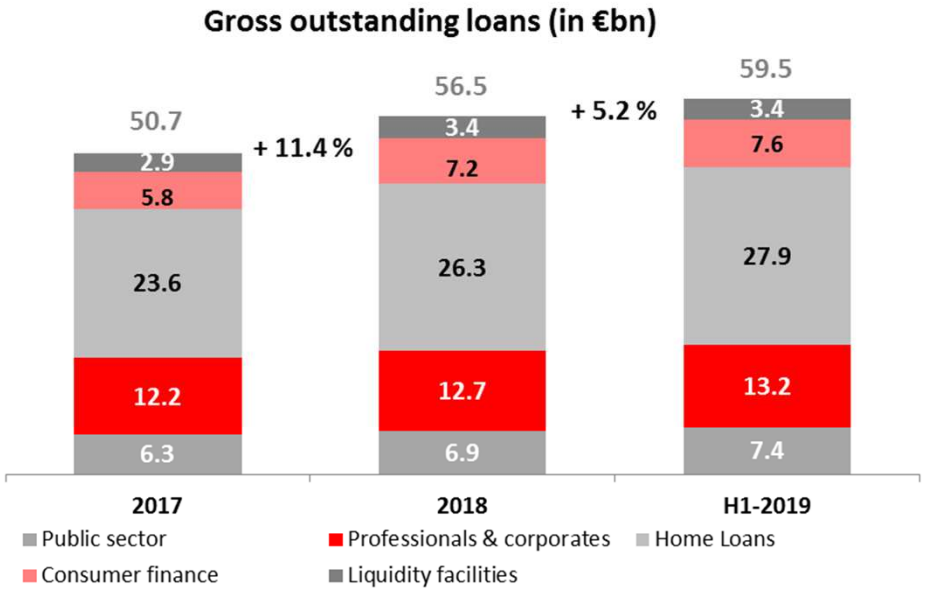
128,600 new clients

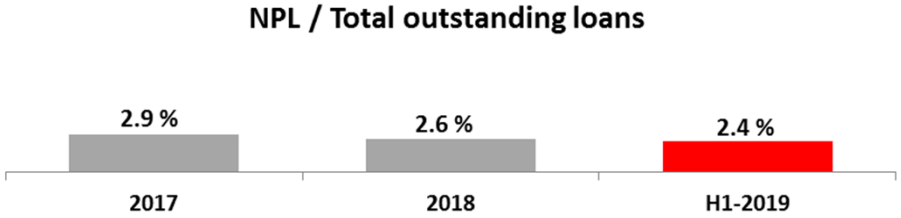
Customer acquisition driven mainly by subsidiaries : **the personal assistant max** *(+34,000 clients)*, **insurance companies** *(+43,000 clients)*, **on-line banking** *(+26,000 clients)*

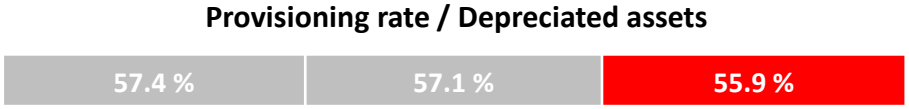
A portfolio increased by 1.8 % compared to 2018, reaching 4.6 million clients.
On a comparable basis, the portfolio increased by 2.9% (sale of Leasecom in H1 2019)

** Restated portfolios following quality actions undertaken on dormant accounts*

Outstanding loans increased by 5.2 % to €59.5 bn







A growth of outstanding loans driven by a **€7.7 bn production in the first half of the year** (vs. €6.3 bn in H1 2018), covering all types of loans :

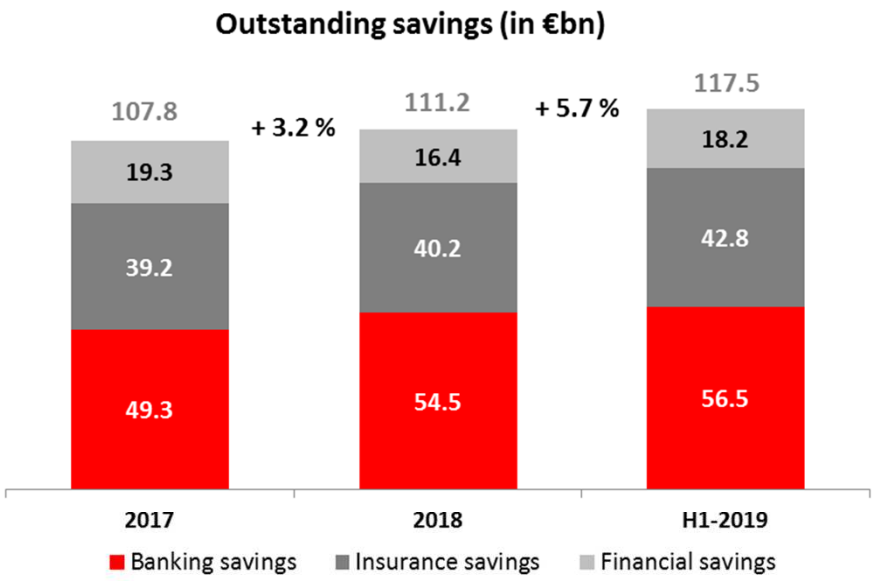
- **Loans to corporates and professionals** (+ 25 % to €2 bn)
- **Loans to individuals** (+ 11.6 % to €4.8 bn)
  - + €3.2 bn in home loans
  - + €1.6 bn in consumer finance
- **Loans to the public sector** (x2 to €0.9 bn)

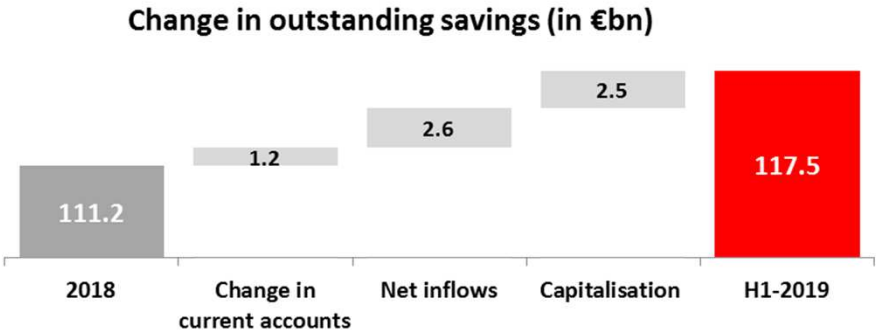
A quality loan portfolio

Outstanding loans of a good quality, **with a NPL ratio of 2.4 %**

A prudent approach over client credit risk with **a 55.9% provisioning rate for balance sheet impaired loans**

Outstanding savings growing by 5.7 % to €117.5 bn



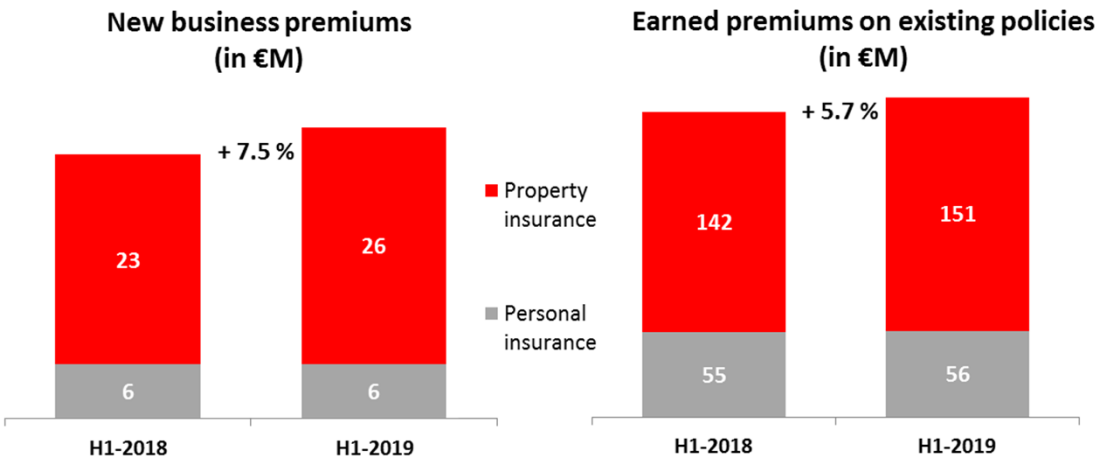


Outstanding savings at €117.5 bn, a 5.7 %-increase since end of 2018 driven by net inflows and capitalisation

Net inflows amount to €2.6 bn, up 59.5 % vs. H1 2018 :

- + €0.8 bn of **banking savings**
- + €1.2 bn of **insurance savings**
- + €0.7 bn of **financial savings**

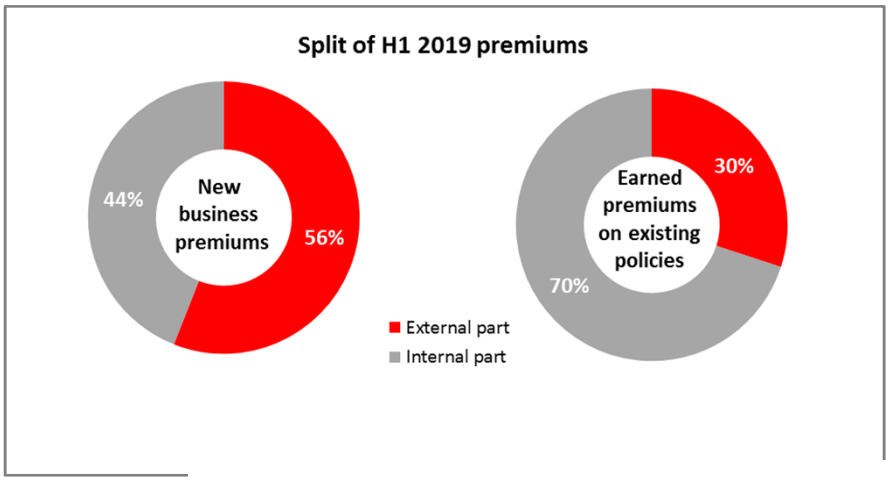
A strong commercial development of insurance activities



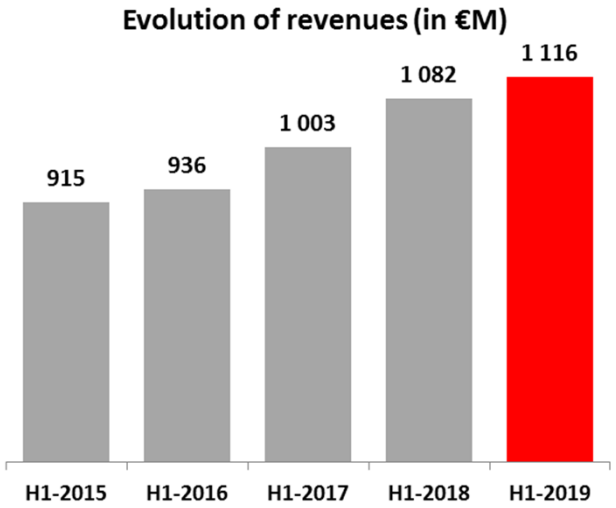
New business premiums are up €2 M and **earned** premiums on existing policies are up €11 M vs. H1 2018, mainly in property insurance

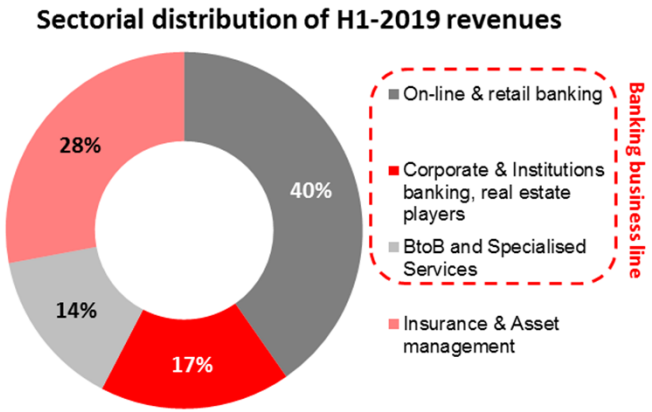
Business from external networks is growing and accounts for :

- **56 % of new business premiums** (+ 3 points vs. H1 2018)
- **30 % of earned premiums** on existing policies (+ 2 points vs. H1 2018)



Revenues growing by 3.1 % to a historic level of €1,116 M





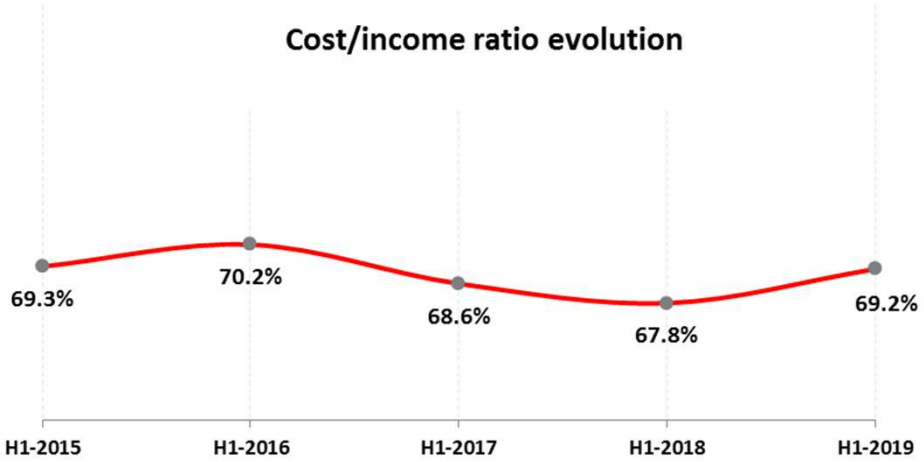
Revenues of the banking business line are down by 2.9% compared to H1 2018, to €804 M

On a comparable basis, revenues decreased by €23 M to €787 M:

- The financial margin decreased by €20 M to €389 M mainly due to **lower changes in value of equity instruments at fair value through P&L**
- Commissions are down by €8 M to €313 M with the implementation at the start of 2019 of **a ceiling on banking charges for financially vulnerable people and with the removal of banking incident charges for financially vulnerable clients benefiting from the dedicated services**
- Other operating income and charges grew by €5 M to €86 M

Revenues of the insurance and asset management business line increased by €57 M to €312 M, with the development of the business and the improvement in the claims level on all products compared to H1 2018

A cost/income ratio of 69.2 %



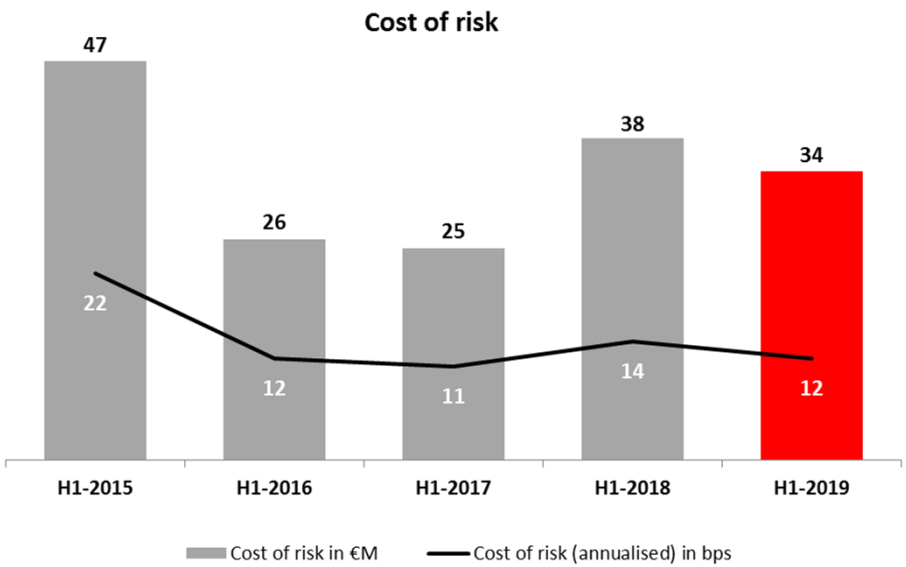
Operating expenses increased by €39 M to €773 M (+ 5.3 %)

On a comparable basis, operating expenses increased by €44 M with :

- **Recruitment** and **remuneration policy** (+ €12 M)
- Other expenses linked to the **investment** and **development strategy of the group** (+ €29 M) including technological transformation and regulatory projects

A **69.2 %** cost/income ratio, stable over the last 5 half-year closings

A 10.4 % decrease of the cost of risk, at €34 M

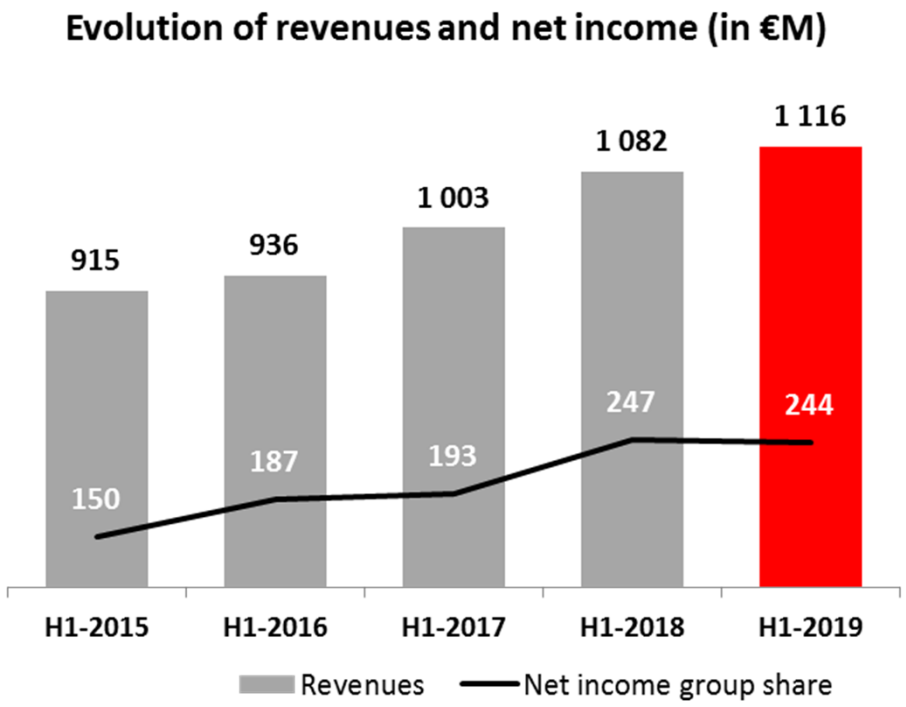


A cost of risk down by €4 M to €34 M, representing **a moderate proportion of outstanding client exposures (12 bps)**

- **Performing assets (Bucket 1 et 2)**
  Outstanding performing assets increased by 6.3 % to €58.4 bn in H1 2019 (vs. a 5.4 % increase to €52.5 bn in H1 2018)

- **Depreciated assets (Bucket 3)**
  Outstanding depreciated assets increased by 0.4 % to €1.4 bn in H1 2019 (vs. a 0.9 % decrease to €1.5 bn in H1 2018)

A net income (group share) of €244 M



After a record level in 2018, net income (group share) reaches **€244 M**, slightly lower **(-0,9 %)** but still driven by **growing revenues**

2019 : a reference first half

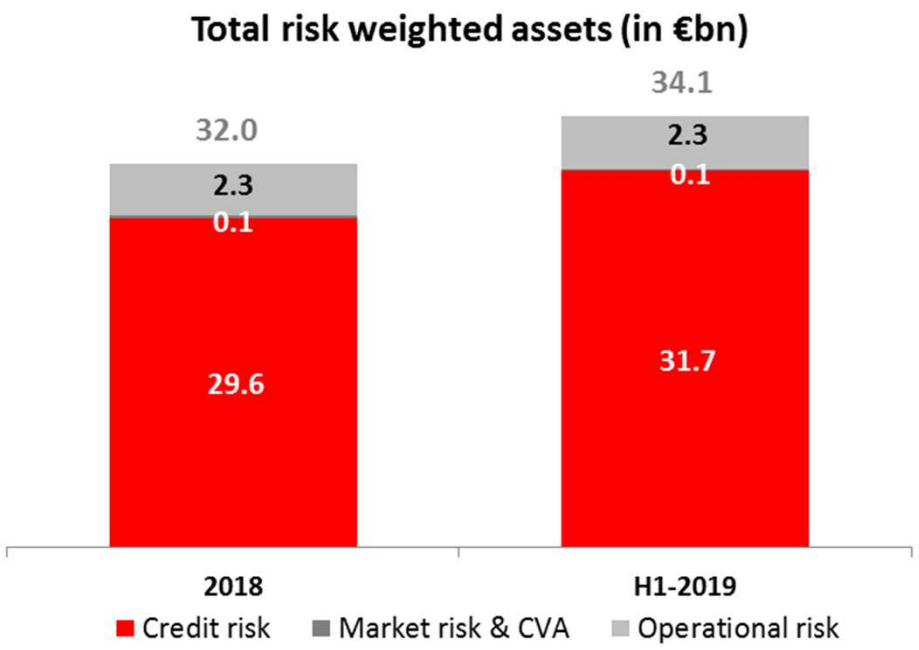
After a record year in 2018, the 1st half of 2019 confirms the pertinence of Arkéa's development strategy with excellent results and ratios :

- On-going commercial development with **record revenues of €1,116 M**
- A **high asset quality** with a decreased cost of risk
- A growth path generating a **steady profitability** with net income of €244 M
- A **robust financial structure**, with high **solvency** and **liquidity** levels

An original model combining growth and profitability

Financial Management

Risk weighted assets growing in line with outstanding loans



Total capital requirements

€2.6 bn	€2.7 bn

A €2.1 bn increase driven by the growth of outstanding loans

93 % of risk weighted assets relate to **credit risk**, with :

- €6.2 bn from a **standard approach**
- €25.5 bn from an **internal ratings-based approach**

Higher capital requirements in line with the growth of credit risk exposures

Leading solvency levels

A solid balance sheet structure

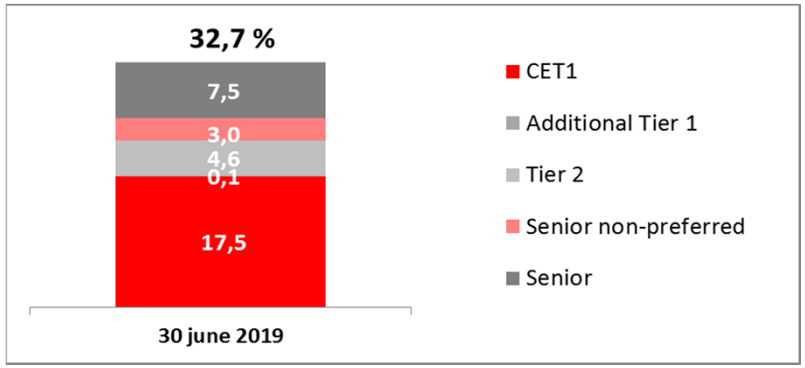
- **Total assets of €147.4 bn** (+ 9 % vs. 31/12/2018)
- **Shareholders' equity of €7.1 bn** (+ 5 % vs. 31/12/2018) **with €2.3 bn of member shares**

CET 1 ratio of 17.5 %*, stable since 31/12/2018 and largely above **regulatory requirements of 9.76 %** (SREP – excl. P2G)

Total capital ratio of 22.1 %*, increased by 2.3 points since 31/12/2018 with Tier 2 bond issues in H1 2019, with **regulatory requirements of 13.26 %**

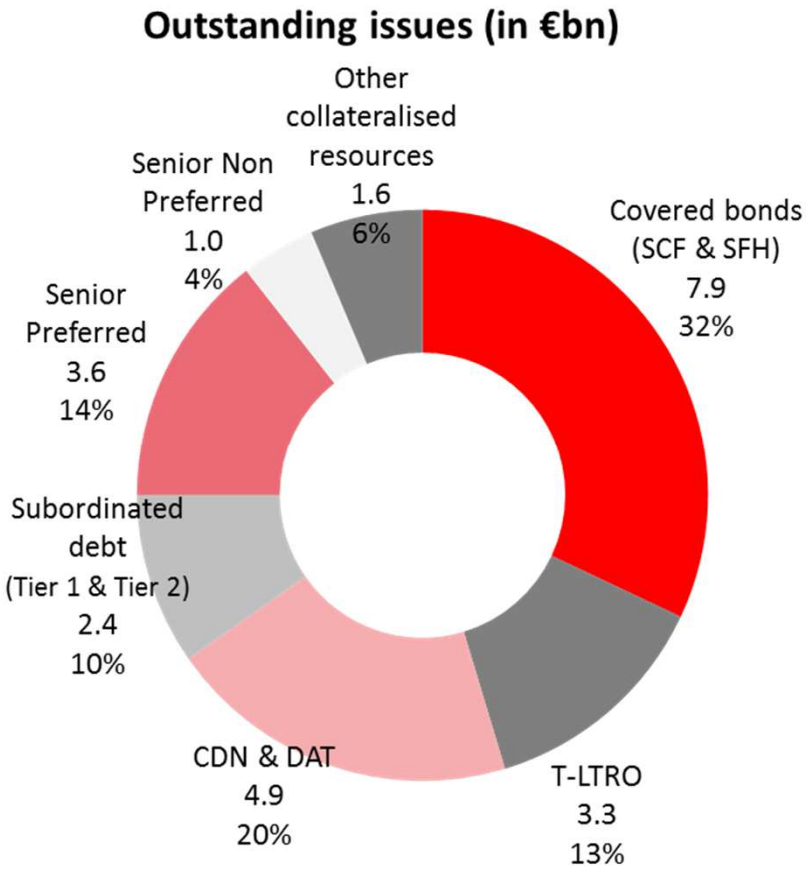
Leverage ratio of 6.7 %*

MREL Ratio* (as a % of risk weighted assets)



** Solvency ratios including half-year results and excluding IPCs (-13 bp impact on CET1 ratio). Leverage ratio according to the "European delegated act", with automatically applicable provisions (mainly exclusion of insurance subsidiaries assets), excluding savings centralised with CDC and excluding provisions subject to prior authorisation (inter-company transactions)*

Diversification and balance between funding programmes



Data as at 07/11/2019

2019 Public issues

Senior Preferred

6Y / MS + 110 bps
€500 M

10Y / MS + 75 bps
€500 M

9Y / MS + 70 bps
€500 M ***Social Bond***

Senior Non Preferred

7Y / MS + 145 bps
€500 M

Tier 2

12Y / MS + 255 bps
€750 M

Covered Bonds

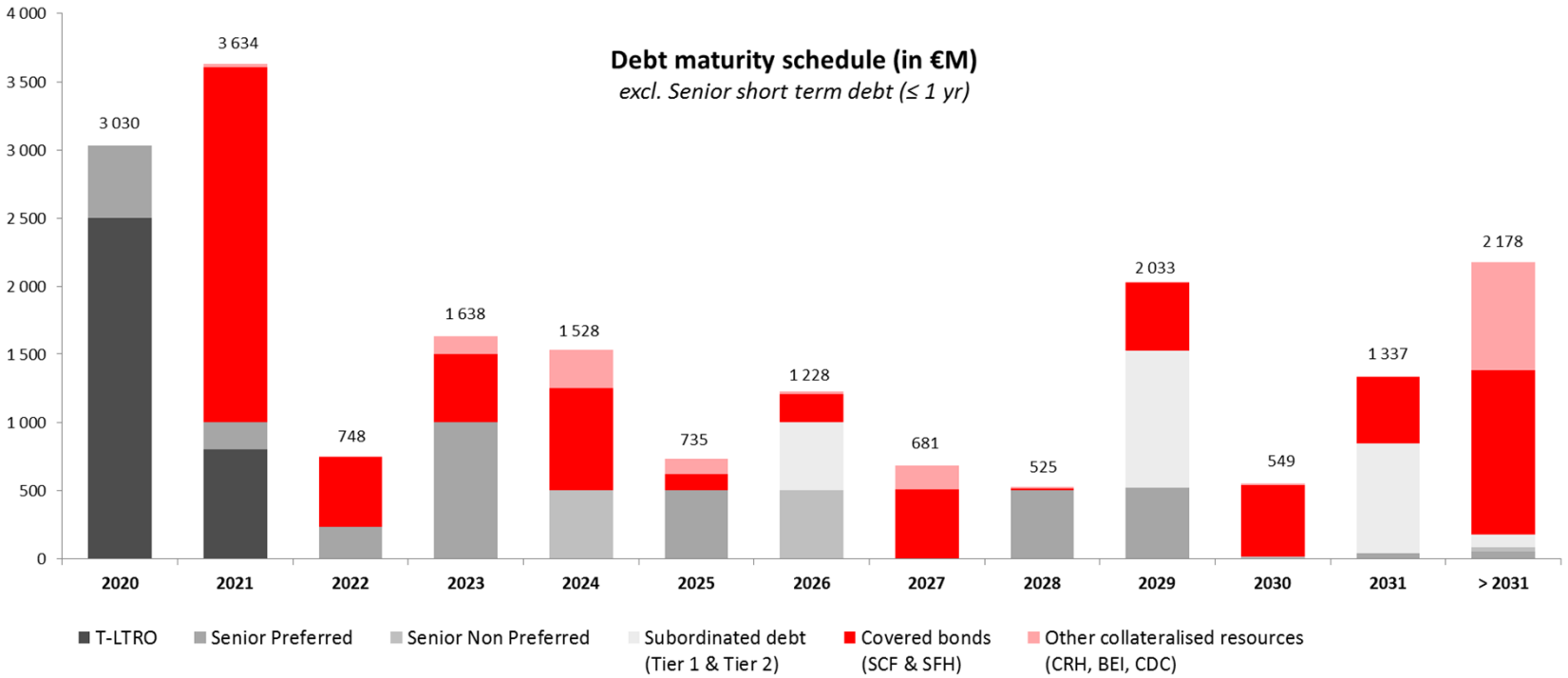
Home Loans - 10Y / MS + 6 bps
€500 M

Public Sector – 10Y / MS + 4 bps
€500 M

ARKEA

Long term resources favoured

Average residual maturity of 6.8 years



Data as at 07/11/2019

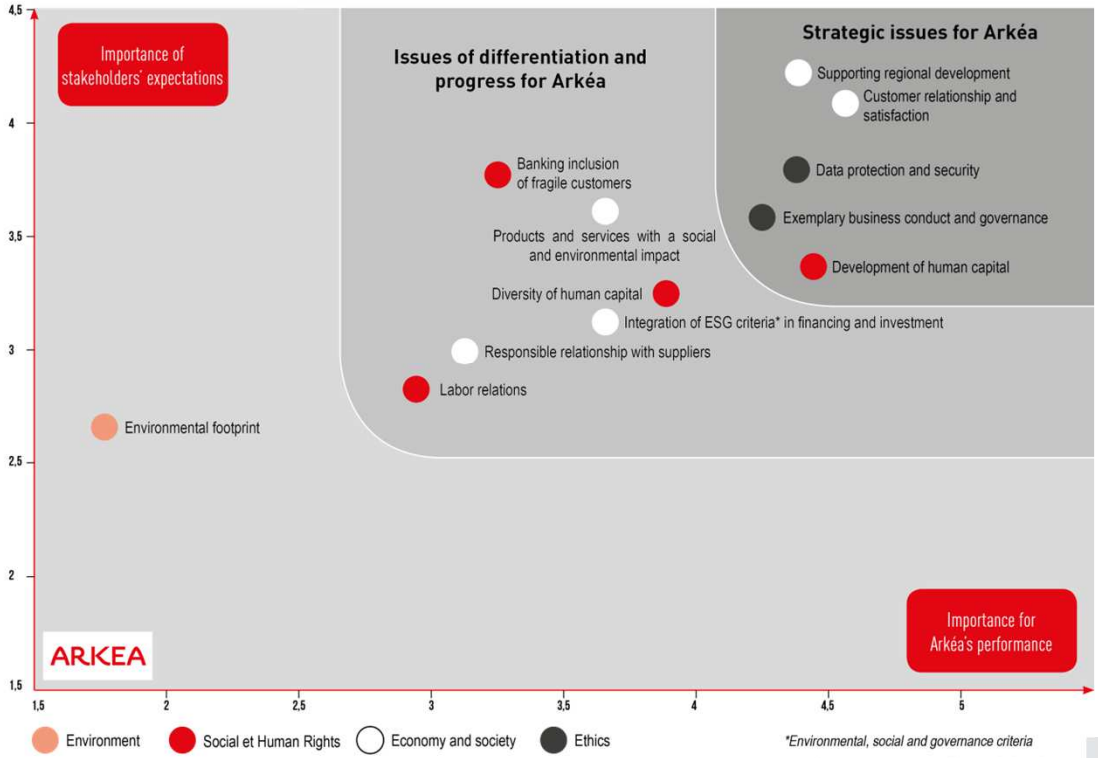
Quality ratings illustrating Arkéa's financial solidity

	Moody's Investors Service	Fitch Ratings
Long Term Senior Preferred Debt	**Aa3**	**A**
Outlook	Negative	Stable
Short Term Senior Preferred Debt	P-1	F1
Long Term Senior Non Preferred Debt	Baa1	A-
Tier 2 Subordinated Debt	Baa1	BBB+

Arkéa’s Corporate Social Responsibility Strategy

Arkéa's CSR key issues

- Supporting regional development
- Banking inclusion and fragile customers
- Products and services with a social & environmental impact
- Integration of ESG criteria in financing and investment



Arkéa's ambition

Facilitate the **positive impact projects** of **stakeholders**

- **Support stakeholders: individuals, professionals, corporates, institutional clients, suppliers, partners**
- **Through our businesses: financing and investments, savings, insurance**
- **In a responsible approach:** by **supporting their positive impact projects** and by **integrating ESG criteria** into financing and investment activities
- At the **heart of our corporate strategy**

Local economic development

Environmental transition

Support of local economic development

Local authorities

€600 M

Granted in 2018

Arkéa Banque Entreprises & Institutionnels
finance local authorities
as well as partner agencies that deliver
local services to the public

Regional companies

Investment in regional companies' equity

€200 M

In 2018

of which
10 new start-ups

Voluntary sector

70,700

Non-profit organisations

Among clients

Banking solutions, initiatives to support non-profit associations that benefit to employment, regional revitalisation, solidarity or sustainable development

Support of local economic development

In september 2019, Arkéa issued an inaugural social senior preferred bond from its sustainable bond framework, illustrating the group's commitment to addressing social issues

Social housing

€1 bn

Incentive loans
At the end of 2018

Arkéa Banque Entreprises & Institutionnels is the partner of choice for major groups that alone account for more than half of social housing units.
The group has acquired stakes in 35 public housing companies

Armorique Habitat

A subsidiary dedicated to social housing

With a rental housing stock of nearly

6,500

homes, it houses almost

10,000

people

Health & care institutions

2/3

of university hospitals (CHUs) in Brittany

In the area of public health, the Arkéa group finances university hospitals (CHUs) and the main hospitals in Brittany

Support stakeholders in transitions

Investment fund

€20 M

to support entrepreneurs involved in energy transition, circular economy and societal entrepreneurship

WEPOSITIVEINVEST

CSR funding

€327 M

Specific funding envelope by Arkéa Banque Entreprises & Institutionnels used at the end of 2018

ARKEA BANQUE ENTREPRISES ET INSTITUTIONNELS

ESG assets

€28 bn

Under management by Federal Finance Gestion

FEDERAL FINANCE GESTION
UNE FILIALE DU Crédit Mutuel ARKEA

Responsible investments

Investment products focused on responsible investment, with the creation of CSR term deposits and by reducing the UCITS range from 250 to 10 to firstly offer funds that meet ESG criteria

ARKEA BANQUE ENTREPRISES ET INSTITUTIONNELS

PRI signatories

SURAVENIR
UNE FILIALE DU Crédit Mutuel ARKEA

ARKEA CAPITAL

FEDERAL FINANCE GESTION
UNE FILIALE DU Crédit Mutuel ARKEA

Schelcher Prince Gestion

MANDARINE

SWEN Capital Partners

Arkéa's commitments & ratings

Member of UN Global Compact France
(advanced level)

Signatory of the Principles for Responsible Investment (PRI)
(group's asset management entities)

Signatory of the supplier relations charter

Arkéa's CSR ratings

Vigeo Eiris

Advanced ESG Performance
(SPO information)

Corporate ESG Performance
Prime
RATED BY ISS ESG

Appendix

Arkéa
Home Loans SFH

Arkéa Home Loans SFH:
Key features

Arkéa Home Loans SFH's purpose is:

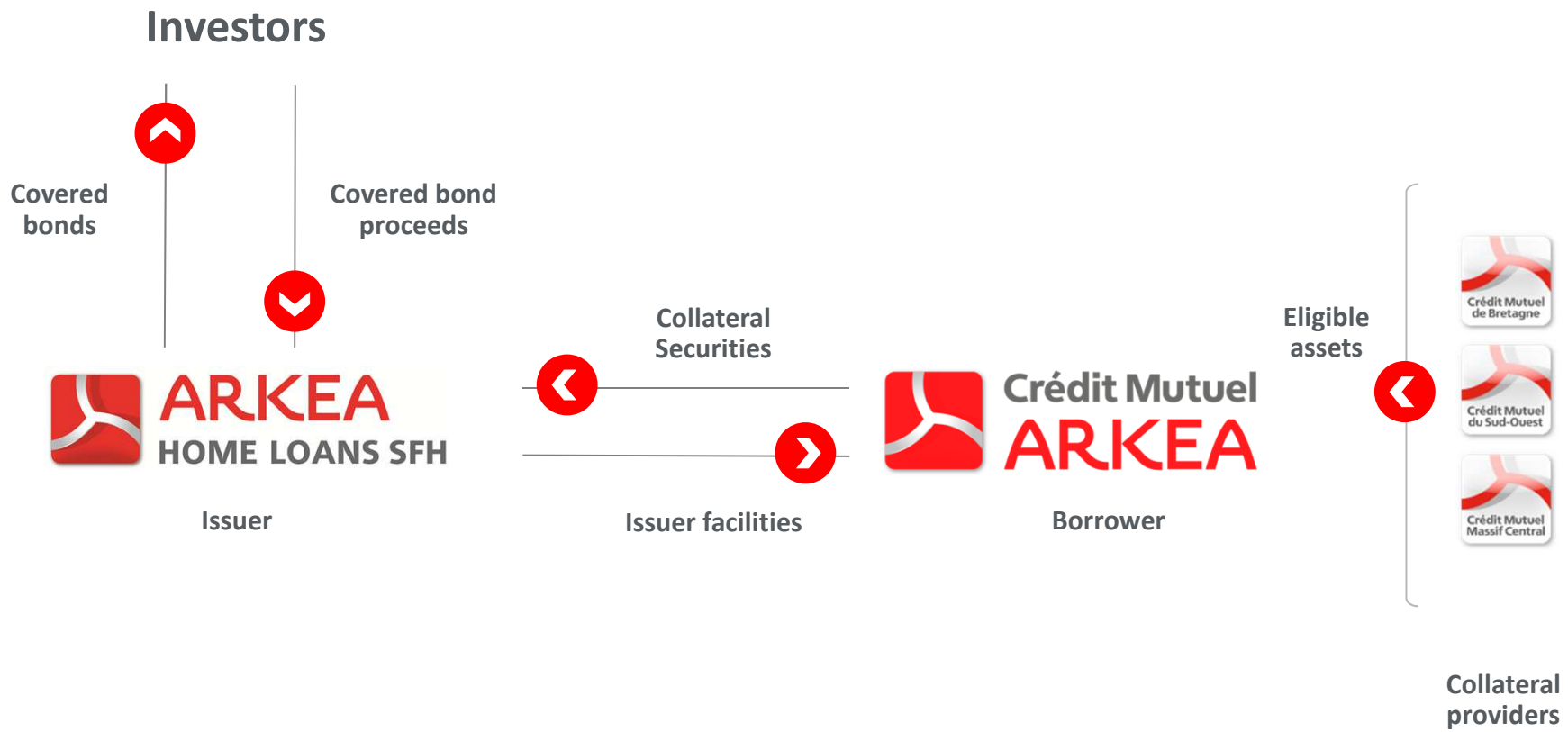
- To refinance Arkéa's home loan business
- To diversify and optimise Crédit Mutuel Arkéa's funding sources

Arkéa Home Loans SFH is a regulated credit institution, licensed as a *Société de Financement de l'Habitat* under the **French legal framework**

- **Only eligible home loans,** refinanced with *Obligations de Financement de l'Habitat*
- **Legal privilege over assets** given to investors in *Obligations de Financement de l'Habitat*
- **Bankruptcy remoteness** of Arkéa Home Loans SFH from Crédit Mutuel Arkéa ensured by French law
- **Recourse** of Arkéa Home Loans SFH **on the cover pool and on Crédit Mutuel Arkéa**
- Regulation and supervision by the French Banking Authorities (ACPR)
- Close monitoring by the specific controller, with regular audit of the collateral portfolio

Arkéa Home Loans SFH is a French home loan covered bond programme with a cover pool including **EUR-denominated French home loans only,** originated by Crédit Mutuel Arkéa with conservative underwriting procedures and restrictive eligibility criteria

Arkéa Home Loans SFH:
Structure overview



Arkéa Home Loans SFH:
Cover pool eligibility criteria

Main eligibility criteria	
	• **Loans to individuals and French Sociétés Civiles Immobilières only**
	• **Loans commercialised by Crédit Mutuel de Bretagne, Crédit Mutuel du Sud-Ouest and Crédit Mutuel Massif Central**
	• **Home loans for purchase, renovation, building or refinancing**
	• **Owner occupied property, vacation home or buy-to-let property located in France only**
	• **Residual maturity between 2 months and 25 years**
	• **No defaulted loans**
	• **Only non-encumbered loans**
	• **Loan-to-income ratio at 33% maximum**
	• **Mortgages or guaranteed loans***
	• **Un-indexed and indexed LTVs below 100%**

***Crédit Mutuel Arkéa has chosen external insurance companies to guarantee home loans (excl. mortgages)**

- The insurer provides an unconditional first demand guarantee to Crédit Mutuel Arkéa
- Home loans (excl. mortgages) granted by Crédit Mutuel Arkéa are guaranteed by CNP Caution (CNP Assurances, Moody's: A1/ S&P: A), AXA Caution (AXA, Moody's: Aa3, S&P: AA-, Fitch: AA-) or by L'Equité (Generali France, Moody's: Baa1/ Fitch: A-/AM Best: A)
- New loan production is guaranteed by CNP Caution and AXA Caution
- To a lesser extent Crédit Mutuel Arkéa may also use Crédit Logement's guarantee (Moody's: Aa3/ DBRS: AA)

Arkéa Home Loans SFH:
Programme characteristics

	Arkéa Home Loans SFH
Programme size	€10 bn of *Obligations de Financement de l'Habitat*
Rating	Aaa (Moody's), AAA (Fitch)
Maturity of the bonds	Soft and hard bullet
Currency	EUR
Minimum collateralisation	Legal: 105 % Committed: 117%
Asset cover test	Over-collateralisation monitored monthly with Asset Cover Test
Liquidity	180 days of liquidity ahead to cover interest and principal amounts due Possibility for the Issuer to subscribe its own covered bonds for pledge as collateral with the ECB, up to 10% of outstanding covered bonds
Asset-liability management	Back-to-back loans to Crédit Mutuel Arkéa to ensure there is no mismatch
Risk weighting	Reduced risk weighting of 10% in Standard Approach according to the EU Capital Requirements Regulation (CRR)
UCITS compliance	Compliance with provision 52 (4) of the UCITS EU Directive
Listing	Luxembourg
Specific controller	Cailliau Dedouit et Associés

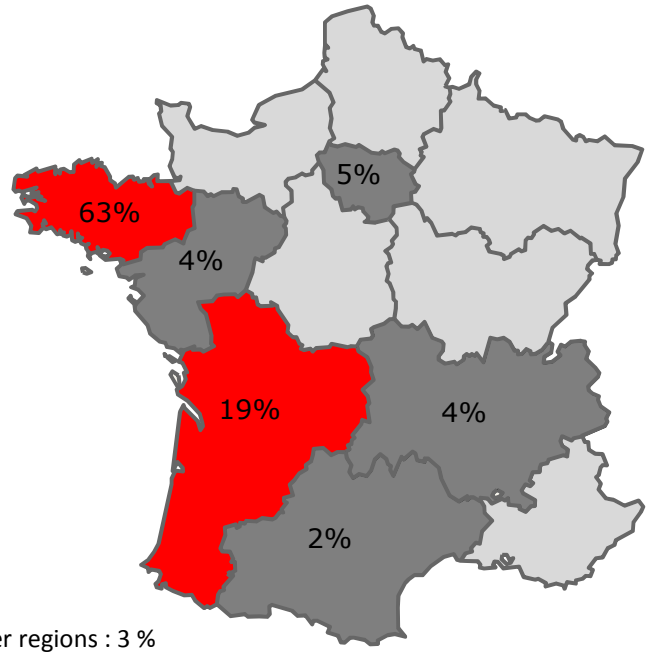
Arkéa Home Loans SFH:
Cover pool as at 31/10/2019

	Arkéa Home Loans SFH
Assets	100% French prime home loans originated by Crédit Mutuel Arkéa
Current size	€9,632 M
Number of loans	199,870
Number of borrowers	119,157
Average loan balance	€48,189
Average LTV	Un-indexed : 67 % Indexed : 62 %
Repayment type	99.8% amortising
Seasoning	65 months
Average remaining terms	11.8 years
Issues outstanding	€7,309 M
Over collateralisation	131.8%

Arkéa Home Loans SFH:
Cover pool as at 31/10/2019

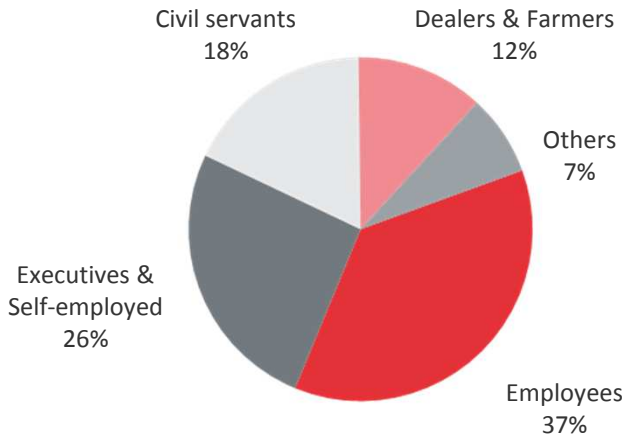
ARKEA HOME LOANS SFH

Geographical breakdown



Other regions : 3 %

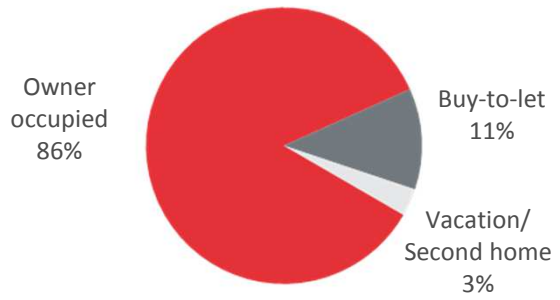
Borrowers by social category



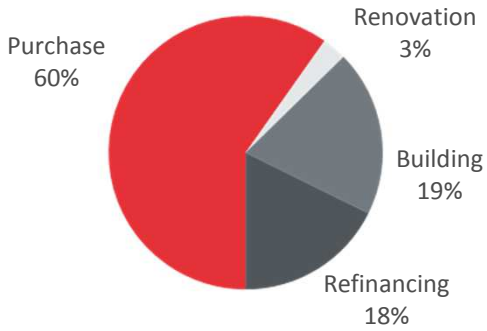
Arkéa Home Loans SFH:
Cover pool as at 31/10/2019

ARKEA HOME LOANS SFH

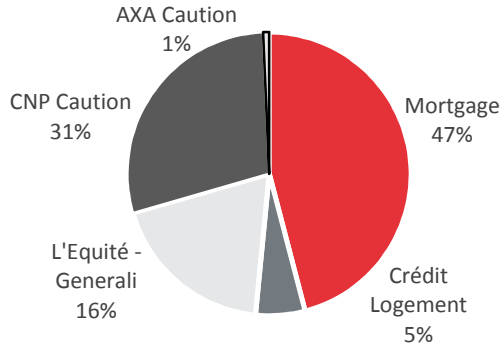
Occupancy type



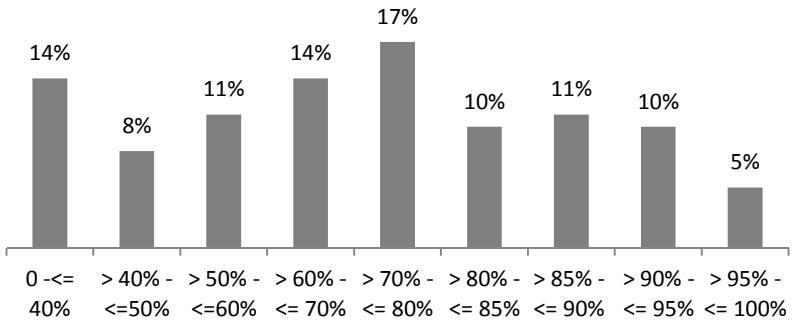
Loan purpose



Guarantee types



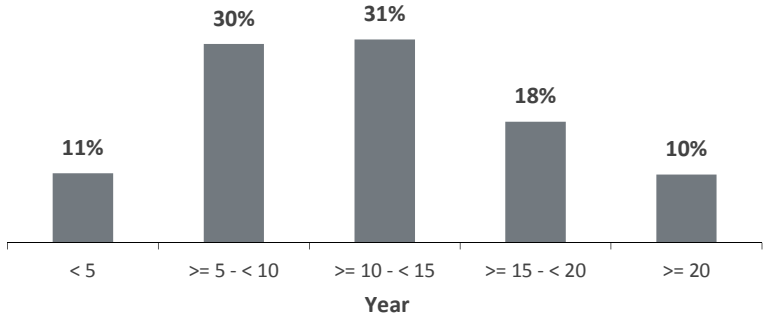
Un-indexed LTV



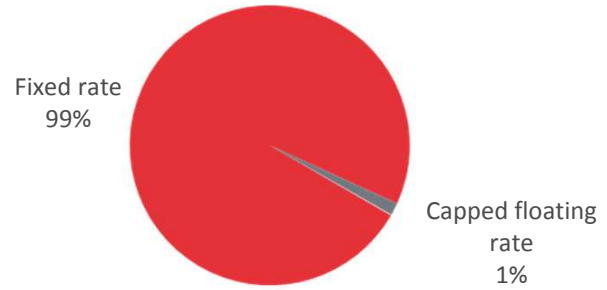
Arkéa Home Loans SFH:
Cover pool as at 31/10/2019

ARKEA HOME LOANS SFH

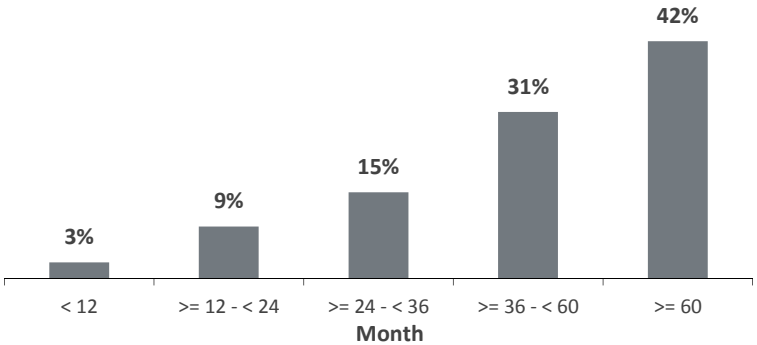
Residual maturity



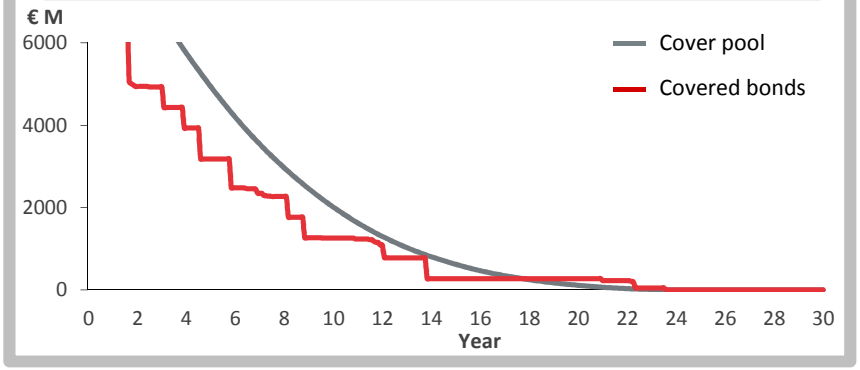
Type of rate



Seasoning



Amortisation profile



ARKEA

Arkéa
Public Sector SCF

Arkéa Public Sector SCF:
Key features

Arkéa Public Sector SCF's purpose is:

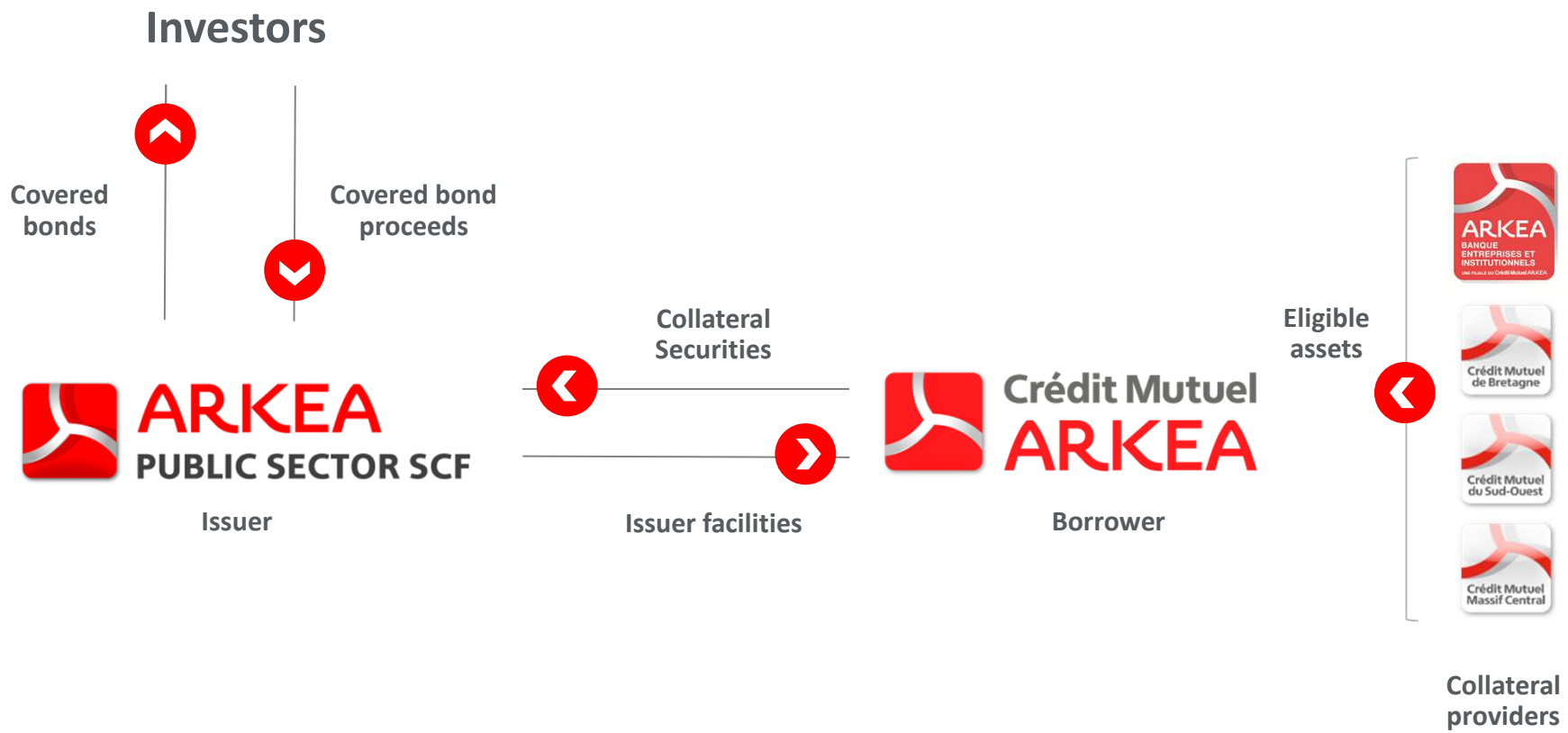
- To refinance Arkéa's lending to public sector entities
- To diversify and optimise Crédit Mutuel Arkéa's funding sources

Arkéa Public Sector SCF is a regulated credit institution, licensed as a *Société de Crédit Foncier* under the **French legal framework**

- **Only eligible exposures to public entities** refinanced with *Obligations Foncières*
- **Legal privilege over assets** given to investors in *Obligations Foncières*
- **Bankruptcy remoteness** of Arkéa Public Sector SCF from Crédit Mutuel Arkéa ensured by French law
- **Recourse** of Arkéa Public Sector SCF **on the cover pool and on Crédit Mutuel Arkéa**
- Regulation and supervision by the French Banking Authorities (ACPR)
- Close monitoring by the specific controller, with regular audit of the collateral portfolio

Arkéa Public Sector SCF is a French public sector covered bond programme with a cover pool including **EUR-denominated French public sector exposures only**

Arkéa Public Sector SCF:
Structure overview



Arkéa Public Sector SCF:
Cover pool eligibility criteria

ARKEA PUBLIC SECTOR SCF **Main eligibility criteria**	**Loans to French public entities:** • **Directly granted to a public entity, or** • **100%-guaranteed by a public entity** **Loans commercialised by Arkéa Banque Entreprises & Institutionnels, Crédit Mutuel de Bretagne, Crédit Mutuel du Sud-Ouest and Crédit Mutuel Massif Central** **No structured loans** **No asset-backed securities** **No defaulted loans** **Only loans not already encumbered**

Arkéa Public Sector SCF:
Programme characteristics

	Arkéa Public Sector SCF
Programme size	€10 bn of *Obligations Foncières*
Rating	Aaa (Moody's)
Maturity of the bonds	Soft and hard bullet
Currency	EUR
Minimum collateralisation	Legal: 105 % Committed: 126%
Asset Cover Test	Over-collateralisation monitored monthly with Asset Cover Test
Liquidity	180 days of liquidity ahead to cover interest and principal amounts due Possibility for the Issuer to subscribe its own covered bonds for pledge as collateral with the ECB, up to 10% of outstanding covered bonds
Asset-Liability Management	Back-to-back loans to Crédit Mutuel Arkéa to ensure there is no mismatch
Risk weighting	Reduced risk weighting of 10% in Standard Approach according to the EU Capital Requirements Regulation (CRR)
UCITS Compliance	Compliance with provision 52 (4) of the UCITS EU Directive
Listing	Luxembourg
Specific controller	Cailliau Dedouit et Associés

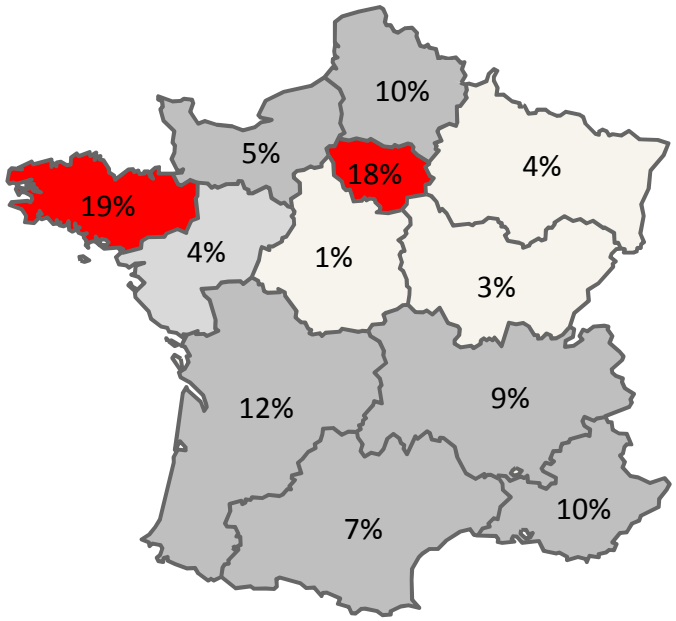
Arkéa Public Sector SCF:
Cover pool as at 31/10/2019

	Arkéa Public Sector SCF
Assets	100% EUR loans to French public sector and social housing agencies originated by Crédit Mutuel Arkéa only Direct exposures to public entities: 85% Exposures 100%-guaranteed by public sector entities: 15%
Current size	€2,618 M
Number of loans	1,937
Number of borrowers	1,116
Average loan balance	€2,345,760
Loan type	Fixed rate loans: 45% Non capped floaters: 55%
Repayment type	100% amortising
Seasoning	61 months
Average remaining terms	16.9 years
Issues outstanding	€2,078 M
Over collateralisation	126%

Arkéa Public Sector SCF:
Cover pool as at 31/10/2019

ARKEA PUBLIC SECTOR SCF

Geographical breakdown

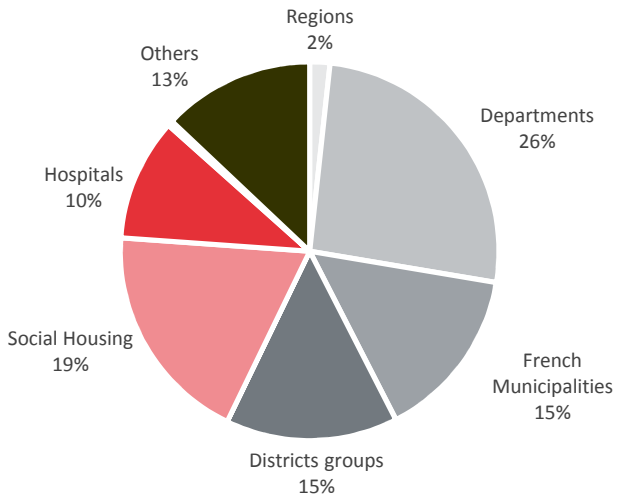


- A diversified geographic distribution of the cover pool, thanks to:
  - Arkéa's historic regional specificities, with a strong presence in Brittany and in the South-West
  - Arkéa Banque Entreprises & Institutionnels' national dimension, with offices in all French regions

ARKEA

Arkéa Public Sector SCF:
Cover pool as at 31/10/2019

Borrower breakdown by activity



- A well diversified pool of borrowers between:
  - Local public authorities
  - Social housing organisations
  - Health & Care institutions

Other financial information

Focus on insurance and asset management

Benefiting from a 40-year expertise,
a finance dedicated to clients

Within the Arkéa group, Suravenir and Suravenir Assurances are **two complementary entities in the insurance business** with a cumulated turnover of €5 bn in 2018

SURAVENIR ASSURANCES
UNE FILIALE DU Crédit Mutuel ARKEA

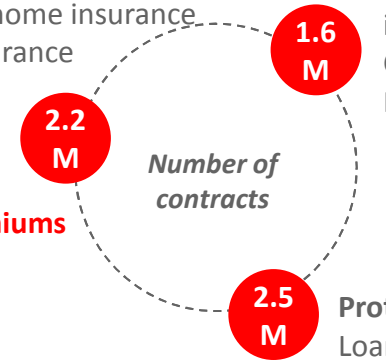
P&C insurance
Car and equivalent
Comprehensive home insurance
Life accident insurance
…

€384 M of acquired premiums

SURAVENIR
UNE FILIALE DU Crédit Mutuel ARKEA

Life insurance
Individual and group life insurance contracts
Capitalisation contracts
Retirement

€41 bn assets under management



Protection
Loan insurance
Individual protection

€45 bn of capital at risk

Arkéa Investment Services bring together Arkéa group's **asset and wealth management specialists**, with €51 bn of managed and advised assets

FEDERAL FINANCE GESTION
Mandates
Private management
Cross-asset solutions

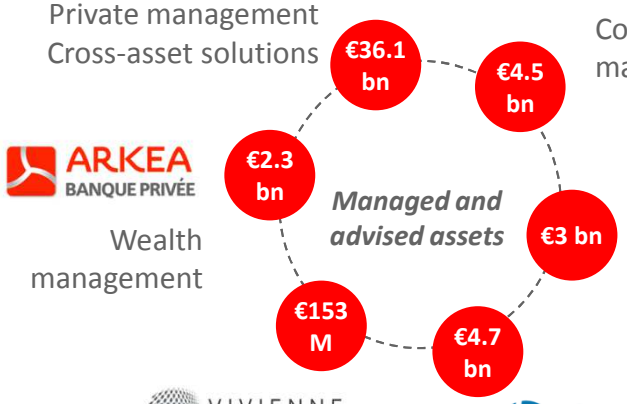
Schelcher Prince Gestion
Conviction bond management

ARKEA BANQUE PRIVÉE
Wealth management

MANDARINE
European Equities

VIVIENNE INVESTISSEMENT
Artificial intelligence serving management

SWEN Capital Partners
Non-listed responsible investments



Data at end of 2018

Value sharing in the benefit of territories

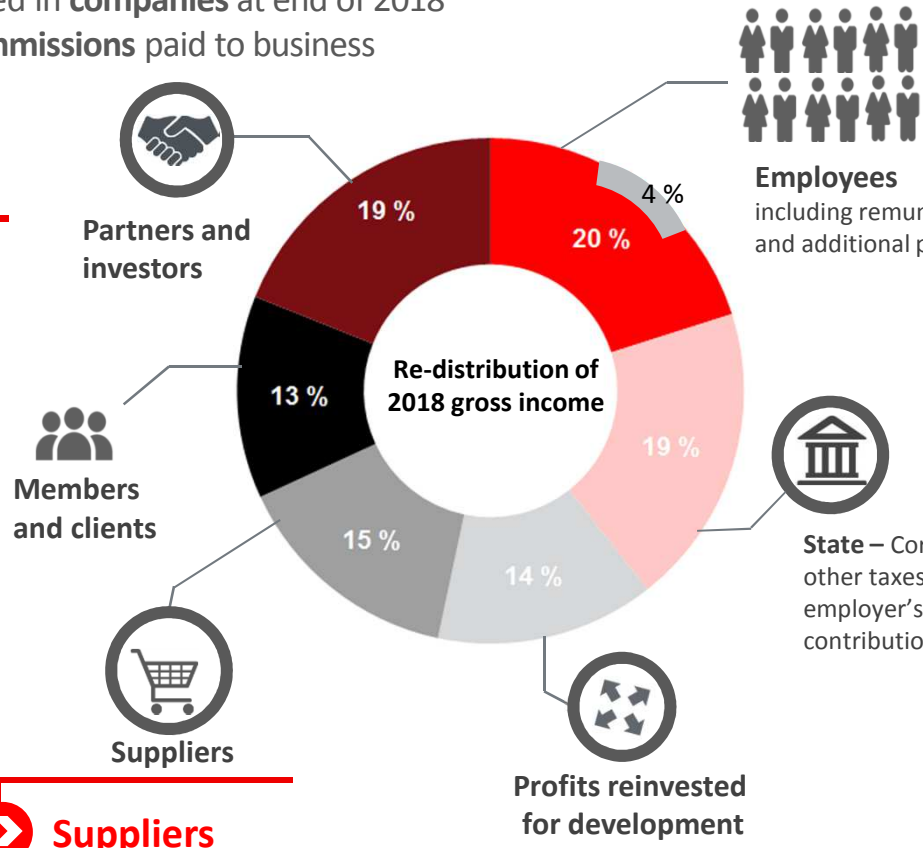
Arkéa has chosen to be **a cooperative and collaborative bank** that favours **a balanced sharing** of value with its members, clients, employees, business partners and territories

Business partners

- €1.6 bn invested in **companies** at end of 2018
- €309 M of **commissions** paid to business providers

Clients and members

- €334 M of **interest paid** on client deposits
- €37 M **paid to holders** of member certificates
- €14 bn of **loans** granted in the year



Employees

- **+ 36% in headcount** in 10 years
- €575 M of paid **remuneration**

Sovereigns and public authorities

- €552 M of **taxes paid**

Suppliers

- Close to 3,000 **local companies**
- 95% **of purchases** made from French suppliers

Income statement for the 6-month period ended 30th June 2019

€M	H1-2019	H1-2018	Variation	%
Revenues	**1 116**	**1 082**	**33**	**3.1%**
Operating expenses	-773	-734	-39	5.3%
Cost/income ratio	69,2%	67,8%	-1.5 point	
Gross operating income	**343**	**349**	**-6**	**-1.6%**
Provisions for risk	-34	-38	4	-10.4%
Operating income	**309**	**311**	**-2**	**-0.6%**
Net income - Group share	**244**	**247**	**-2**	**-0.9%**

Consolidated balance sheet as at 30th June 2019

Assets (€M)	30/06/2019	31/12/2018
Cash, due from central banks	6 148	3 237
Financial assets at faire value through P&L	1 420	1 179
Derivatives used for hedging purposes	1 053	693
Financial assets at faire value through equity	9 742	11 324
Securities at amortised cost	440	164
Loans and advances to banks	9 721	8 987
Loans and advances to customers	59 053	55 575
Remeasurement adjustment on interest-rate risk hedged portfolios	774	299
Placement of insurance activities	55 947	50 190
Tax & other assets, equity method investments	1 643	1 887
Investment property, property, plant & equipment, intangible assets	932	848
Goodwill	538	538
Total Assets	**147 409**	**134 920**

Liabilities (€M)	30/06/2019	31/12/2018
Financial liabilities at fair value	2 156	1 302
Due to banks	7 962	7 117
Customer accounts	56 698	54 555
Debt securities	14 357	12 771
Tax & other liabilities, provisions	3 140	2 767
Insurance companies' technical reserves	53 528	48 033
Subordinated debt	2 508	1 667
Total equity	7 057	6 704
Share capital and reserves	2 335	2 266
Consolidated reserves	4 299	3 896
Gains and losses recognised directly in equity	179	104
Net income	244	437
Minority interests	3	3
Total Liabilities	**147 409**	**134 920**

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