

Pillar 3 Report
06.30.2023

Crédit Mutuel
ARKEA

Contents

1. Capital	1
1.1. Composition of the capital	1
1.2. Capital requirements	7
2. Prudential indicators	8
2.1. Key metrics	8
2.2. Leverage ratio	10
3. Credit risk	15
3.1. Exposures	15
3.2. Credit quality of assets	15
3.3. Standardized approach	21
3.4. Internal ratings-based approach	22
4. Counterparty credit risk	31
5. Credit risk mitigation techniques	37
6. Securitisation	41
7. Market risk	43
8. Interest rate risk in the banking book	44
9. Liquidity risk	45
10. ESG Risk	50
11. Appendices	60
11.1. Declaration of the responsible person	60
11.2. List of tables	61
11.3. Pillar 3 cross-reference table	62

1. Capital

1.1. Composition of the capital

Regulatory capital has been determined in accordance with Part II of the CRR, and supplemented by technical standards (delegated and EU implementing regulations of the European Commission).

Capital includes:

- Tier 1 capital, comprising Common Equity Tier 1 (hereinafter “**CET1**”) capital net of deductions and Additional Tier 1 (hereinafter “**AT1**”) capital net of deductions;
- Tier 2 (hereinafter “**T2**”) capital net of deductions.

The Crédit Mutuel Arkéa group did not wish to opt for the transitional measures relating to IFRS 9 proposed by the regulations as part of the calculation of its prudential capital (EU Regulation 2020/873 of the European Parliament and of the Council of June 24, 2020 amending EU Regulations 575/2013).

Table 1 (EU CC1): Composition of regulatory own funds

	Amounts as at 06.30.2023	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
In € thousands		
Common Equity Tier 1 (CET1) capital: instruments and reserves		
Capital instruments and the related share premium accounts	2,823,203	(h)
of which: Shares	2,817,765	
of which: Additional paid-in capital	5,438	
Retained earnings	6,517,685	(i) (j)
Accumulated other comprehensive income (and other reserves)	-44,940	(j)
Funds for general banking risk	-	
Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1	-	
Minority interests (amount allowed in consolidated CET1)	462	(k)
Independently reviewed interim profits net of any foreseeable charge or dividend	170,947	(l)
Common Equity Tier 1 (CET1) capital before regulatory adjustments	9,467,359	
Common Equity Tier 1 (CET1) capital: regulatory adjustments		
Additional value adjustments (negative amount)	-84,054	
Intangible assets (net of related tax liability) (negative amount)	-833,503	(d) (e) minus (f)
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	-	(b)
Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	-2	(j)
Negative amounts resulting from the calculation of expected loss amounts	-	
Any increase in equity that results from securitised assets (negative amount)	-	
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-6,432	(j)
Defined-benefit pension fund assets (negative amount)	-87,910	(c)
Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	-	
Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-	
of which: qualifying holdings outside the financial sector (negative amount)	-	
of which: securitisation positions (negative amount)	-	
of which: free deliveries (negative amount)	-	
Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	-	

	Amounts as at 06.30.2023	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
In € thousands		
Amount exceeding the 17,65% threshold (negative amount)	-	
of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	-	
of which: deferred tax assets arising from temporary differences	-	
Losses for the current financial year (negative amount)	-	
Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-	
Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	
Other regulatory adjustments	-113,883	(a)
Total regulatory adjustments to Common Equity Tier 1 (CET1)	-1,125,784	
Common Equity Tier 1 (CET1) capital	8,341,574	
Additional Tier 1 (AT1) capital: instruments		
Capital instruments and the related share premium accounts	-	
of which: classified as equity under applicable accounting standards	-	
of which: classified as liabilities under applicable accounting standards	-	
Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1	-	
Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1	-	
Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1	-	
Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	2	(k)
of which: instruments issued by subsidiaries subject to phase out	-	
Additional Tier 1 (AT1) capital before regulatory adjustments	2	
Additional Tier 1 (AT1) capital: regulatory adjustments		
Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	-	
Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	
Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-	
Other regulatory adjustments to AT1 capital	-	
Total regulatory adjustments to Additional Tier 1 (AT1) capital	-	
Additional Tier 1 (AT1) capital	2	
Tier 1 capital (T1 = CET1 + AT1)	8,341,576	

	Amounts as at 06.30.2023	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
In € thousands		
Tier 2 (T2) capital: instruments		
Capital instruments and the related share premium accounts	2,092,122	(g)
Amount of qualifying items referred to in Article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR	-	
Amount of qualifying items referred to in Article 494a(2) CRR subject to phase out from T2	-	
Amount of qualifying items referred to in Article 494b(2) CRR subject to phase out from T2	-	
Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	3	(k)
of which: instruments issued by subsidiaries subject to phase out	-	
Credit risk adjustments	122,271	
Tier 2 (T2) capital before regulatory adjustments	2,214,396	
Tier 2 (T2) capital: regulatory adjustments		
Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	
Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-600,000	(a)
Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	
Other regulatory adjustments to T2 capital	-	
Total regulatory adjustments to Tier 2 (T2) capital	-600,000	
Tier 2 (T2) capital	1,614,396	
Total capital (TC = T1 + T2)	9,955,973	
Total Risk exposure amount	48,474,182	
Capital ratios and requirements including buffers		
Common Equity Tier 1 capital	-	
Tier 1 capital	-	
Total capital	-	
Institution CET1 overall capital requirements	-	
of which: capital conservation buffer requirement	-	
of which: countercyclical capital buffer requirement	-	
of which: systemic risk buffer requirement	-	
of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	-	
of which: additional own funds requirements to address the risks other than the risk of excessive leverage	-	
Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	-	

	Amounts as at 06.30.2023	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
In € thousands		
Amounts below the thresholds for deduction (before risk weighting)		
Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	235,850	
Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	491,226	
Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	-	
Applicable caps on the inclusion of provisions in Tier 2		
Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	-	
Cap on inclusion of credit risk adjustments in T2 under standardised approach	95,937	
Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	223,350	
Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	122,271	
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)		
Current cap on CET1 instruments subject to phase out arrangements	-	
Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	
Current cap on AT1 instruments subject to phase out arrangements	-	
Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	
Current cap on T2 instruments subject to phase out arrangements	-	
Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	

Table 2 (EU CC2): Reconciliation of regulatory own funds to balance sheet in the audited financial statements

	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
In € thousands	06.30.2023	06.30.2023	
Assets - Breakdown by asset classes according to the balance sheet in the published financial statements			
Cash, due from central banks	13,887,438	13,887,438	
Financial assets at fair value through profit or loss	2,025,846	2,029,027	
Derivatives used for hedging purposes	5,021,700	5,021,700	
Financial assets at fair value through equity	8,333,699	8,333,699	
Securities at amortized cost	591,347	591,347	
Loans and receivables - credit institutions, at amortized cost	12,638,044	12,637,779	
Loans and receivables - customers, at amortized cost	83,953,996	84,504,486	(a)
Remeasurement adjustment on interest-rate risk hedged portfolios	-4,242,252	-4,242,252	
Placement of insurance activities	59,080,534	-	
Insurance contracts issued	-	-	
Reinsurance contracts held	151,248	-	
Current tax assets	187,642	198,732	
Deferred tax assets	177,274	82,735	(b)
Accruals, prepayments and sundry assets	866,230	2,239,155	(c)
Non-current assets held for sale	3,430	3,430	
Deferred profit-sharing	-	-	
Investments in associates	218,871	2,778,426	
Investment property	137,905	137,905	
Property, plant and equipment	339,482	322,844	
Intangible assets	577,168	572,178	(d)
Goodwill	484,610	484,610	(e)
Total assets	184,434,212	129,583,240	
Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements			
Due to central banks	-	-	
Financial liabilities at fair value through profit or loss	2,675,588	2,299,668	
Derivatives used for hedging purposes	4,141,613	4,141,613	
Due to banks	7,328,213	5,111,303	
Liabilities to customers	80,952,821	81,751,587	
Debt securities	23,180,880	23,156,547	
Remeasurement adjustment on interest-rate risk hedged portfolios	-1,903,893	-1,903,894	
Current tax liabilities	42,826	43,356	
Deferred tax liabilities	274,622	130,366	(f)
Accruals, deferred income and sundry liabilities	4,532,443	1,997,447	
Liabilities associated with non-current assets held for sale	4,686	4,686	
Insurance companies' technical reserves	51,233,620	919,604	
Provisions	257,305	218,857	
Subordinated debt	2,171,623	2,171,623	(g)
Total liabilities	174,892,347	120,042,764	
Shareholders' Equity			
Shareholders' equity, group share	9,533,875	9,533,876	
Share capital and additional paid-in capital	2,858,517	2,858,517	(h)
Consolidated reserves	6,511,306	6,511,307	(i)
Gains and losses recognized directly in equity	-38,552	-38,552	(j)
Net income for the year	202,604	202,604	(l)
Non-controlling interest	7,992	6,600	(k)
Total shareholders' equity	9,541,867	9,540,476	

1.2. Capital requirements

The capital requirements shown below and in the following sections are the minimum requirements, corresponding to a level of 8% of risk-weighted assets.

Table 3 (EU OV1): Overview of risk weighted exposure amounts

In € thousands	Total risk exposure amounts		Total own funds requirements
	06.30.2023	03.31.2023	06.30.2023
Credit risk (excluding CCR)	45,085,787	42,247,318	3,606,863
Of which the standardised approach	8,789,850	8,645,163	703,188
Of which the Foundation IRB (F-IRB) approach	8,856,222	6,887,040	708,498
Of which slotting approach	509,697	489,126	40,776
Of which equities under the simple riskweighted approach	12,207,734	12,701,014	976,619
Of which the Advanced IRB (A-IRB) approach	12,508,404	13,524,976	1,000,672
Counterparty credit risk - CCR	343,490	475,284	27,479
Of which the standardised approach	164,277	205,616	13,142
Of which internal model method (IMM)	-	-	-
Of which exposures to a CCP	4,871	5,533	390
Of which credit valuation adjustment - CVA	65,782	62,070	5,263
Of which other CCR	108,560	202,065	8,685
Settlement risk	27	14	2
Securitisation exposures in the non-trading book (after the cap)	2,071	-	166
Of which SEC-IRBA approach	-	-	-
Of which SEC-ERBA (including IAA)	2,071	-	166
Of which SEC-SA approach	-	-	-
Of which 1250% / deduction	-	-	-
Position, foreign exchange and commodities risks (Market risk)	-	-	-
Of which the standardised approach	-	-	-
Of which IMA	-	-	-
Large exposures	-	-	-
Operational risk	3,042,807	3,059,947	243,425
Of which basic indicator approach	439,619	439,619	35,170
Of which standardised approach	171,634	171,634	13,731
Of which advanced measurement approach	2,431,554	2,448,694	194,524
Amounts below the thresholds for deduction (subject to 250% risk weight)	-	2,228,186	-
Total	48,474,181	48,010,748	3,877,935

2. Prudential indicators

2.1. Key metrics

Table 4 (EU KM1): Key metrics

In € thousands	06.30.2023 ⁽¹⁾	03.31.2023 ⁽²⁾	12.31.2022 ⁽¹⁾	09.30.2022 ⁽²⁾	06.30.2022 ⁽¹⁾
Available own funds (amounts)					
Common Equity Tier 1 (CE T1) capital	8,341,574	8,176,700	7,507,619	6,917,852	7,230,552
Tier 1 capital	8,341,576	8,176,704	7,507,622	6,917,856	7,230,556
Total capital	9,955,973	9,811,081	9,164,288	8,604,636	8,936,941
Risk-weighted exposure amounts					
Total risk exposure amount	48,474,182	48,010,748	44,544,905	45,259,194	43,924,479
Capital ratios (as a percentage of risk-weighted exposure amount)					
Common Equity Tier 1 ratio (%)	17.2%	17.0%	16.9%	15.3%	16.5%
Tier 1 ratio (%)	17.2%	17.0%	16.9%	15.3%	16.5%
Total capital ratio (%)	20.5%	20.4%	20.6%	19.0%	20.3%
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2.75%	2.75%	2.75%	2.75%	2.75%
of which: to be made up of CET1 capital (percentage points)	1.55%	1.55%	1.55%	1.55%	1.55%
of which: to be made up of Tier 1 capital (percentage points)	2.06%	2.06%	2.06%	2.06%	2.06%
Total SREP own funds requirements (%)	10.75%	10.75%	10.75%	10.75%	10.75%
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)					
Capital conservation buffer (%)	2.5%	2.5%	2.5%	2.5%	2.5%
Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-	-	-	-	-
Institution specific countercyclical capital buffer (%)	0.4996%	0.0035%	0.0042%	0.0034%	0.0011%
Systemic risk buffer (%)	-	-	-	-	-
Global Systemically Important Institution buffer (%)	-	-	-	-	-
Other Systemically Important Institution buffer (%)	-	-	-	-	-
Combined buffer requirement (%)	3.0%	2.5%	2.5%	2.5%	2.5%
Overall capital requirements (%)	13.75%	13.25%	13.25%	13.25%	13.25%
CET1 available after meeting the total SREP own funds requirements (%) ⁽³⁾	9.1%	9.0%	8.8%	7.2%	8.4%
Leverage ratio					
Total exposure measure	122,972,378	130,035,421	127,507,197	124,566,708	115,385,648
Leverage ratio (%)	6.8%	6.3%	5.9%	5.6%	6.3%
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
Additional own funds requirements to address the risk of excessive leverage (%)	0%	0%	0%	0%	0%
of which: to be made up of CET1 capital (percentage points)	0%	0%	0%	0%	0%
Total SREP leverage ratio requirements (%)	3.00%	3.00%	3.00%	3.00%	3.00%
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
Leverage ratio buffer requirement (%)	0%	0%	0%	0%	0%
Overall leverage ratio requirement (%)	3.00%	3.00%	3.00%	3.00%	3.00%
Liquidity Coverage Ratio ⁽⁴⁾					
Total high-quality liquid assets (HQLA) (Weighted value -average)	19,504,930	24,175,682	25,558,305	21,200,507	19,737,068
Cash outflows - Total weighted value	15,494,028	16,597,395	17,690,200	16,988,188	15,403,089
Cash inflows - Total weighted value	1,926,815	1,550,543	1,423,710	3,238,356	1,965,902
Total net cash outflows (adjusted value)	13,567,214	15,046,852	16,266,490	13,749,832	13,437,187
Liquidity coverage ratio (%)	144%	161%	157%	154%	147%
Net Stable Funding Ratio					
Total available stable funding	86,135,986	84,490,469	82,887,310	88,531,041	85,416,765
Total required stable funding	77,238,951	75,286,804	72,966,679	79,907,821	76,946,617
NSFR ratio (%)	112%	112%	114%	111%	111%

(1) Integrating the interim result or annual result net of dividends

(2) Not integrating the interim result

(3) Taking into account possible AT1 deficits

(4) At the reporting date

The Crédit Mutuel Arkéa group has to comply with additional capital requirements, as follows:

- a conservation buffer which is mandatory for all establishments;
- a specific countercyclical capital buffer for each establishment. The countercyclical buffer, which is designed to protect banks from excessive growth in credit (in particular a deviation from the ratio of credit to gross domestic product), is imposed at the discretion of the designated authority of each jurisdiction, applicable to all exposures that establishments have in this jurisdiction. In France, the countercyclical buffer is set by the French financial stability authority (Haut Conseil de Stabilité Financière), hereinafter referred to as the “HCSF”. Since April 2023, the countercyclical buffer rate is set at 0.50% of risk-weighted assets on French exposures. The mandatory recognition of countercyclical capital buffer rates implemented in other states was capped at 2.5%. Beyond this cap, rates require the explicit recognition of the HCSF. The countercyclical buffer rate specific to the Group is the weighted average of the countercyclical buffer rates that apply in the countries that correspond to the Group’s main credit exposures.

Table 5 (EU CCyB1): Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

As at 06.30.2023 In € thousands	General credit exposures		General credit exposures - Market risk		Securitisation exposures	Total exposure value
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Exposure value for non-trading book	
Breakdown by country:						
Germany	4,045	363,147	-	-	13,805	380,997
Netherlands	5,014	173,807	-	-	-	178,821
Denmark	-	40,591	-	-	-	40,591
United-Kingdom	-	26,314	-	-	-	26,314
Ireland	-	4	-	-	-	4
Luxembourg	6,394	146,148	-	-	-	152,542
Norway	2,783	224,358	-	-	-	227,141
France	13,341,719	79,488,313	-	-	-	92,830,032
Sweden	-	167,442	-	-	-	167,442
Other countries	24,520	1,060,405	-	-	-	1,084,925
Total	13,384,475	81,690,529	-	-	13,805	95,088,809

As at 06.30.2023 In € thousands	Own fund requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
	Relevant credit risk exposures – Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
Breakdown by country:							
Germany	13,745	-	166	13,911	173,882	0.41%	0.75%
Netherlands	3,712	-	-	3,712	46,404	0.11%	1.00%
Denmark	292	-	-	292	3,652	0.01%	2.50%
United-Kingdom	451	-	-	451	5,638	0.01%	1.00%
Ireland	-	-	-	-	2	0.00%	0.50%
Luxembourg	11,135	-	-	11,135	139,191	0.32%	0.50%
Norway	1,019	-	-	1,019	12,734	0.03%	2.50%
France	3,379,042	-	-	3,379,042	42,238,024	98.46%	0.50%
Sweden	727	-	-	727	9,088	0.02%	2.00%
Other countries	21,469	-	-	21,469	268,366	0.63%	0.00%
Total	3,431,593	-	166	3,431,758	42,896,981	-	-

Table 6 (EU CCyB2): Amount of institution-specific countercyclical capital buffer

In € thousands	06.30.2023
Total risk exposure amount	48,474,182
Institution specific countercyclical capital buffer rate (in %)	0.4996%
Institution specific countercyclical capital buffer requirement	242,164

2.2. Leverage ratio

The procedures for monitoring the risk of excessive leverage have been approved by Crédit Mutuel Arkéa's Board of Directors and the ALM and Capital Management Committee. They are designed around the following:

- the leverage ratio, which is one of the key solvency indicators and is therefore the focus of particular attention;
- the setting of an internal limit, which is also governed by tolerance and warning thresholds;
- a specific procedure has been established for any breaches of the limit set by the Board of Directors, which involves the General Management and Crédit Mutuel Arkéa's Board of Directors.

The Basel III texts defined a ratio aimed at capping the leverage effect. The leverage ratio is intended both to calibrate the amount of Tier 1 capital (numerator of the ratio) and to control the Group's leverage exposure (denominator of the ratio) in order to achieve the ratio level targets set by the Group.

The leverage ratio is subject to a public disclosure requirement by banks and has been subject to a minimum requirement set at 3%.

Table 7 (EU LR1 - LRSum) : Résumé du rapprochement entre actifs comptables et expositions aux fins du ratio de levier(EU LR1 - LRSum): Summary reconciliation of accounting assets and leverage ratio exposures

As at 06.30.2023 In € thousands	Applicable amount
Total assets as per published financial statements	184,434,217
Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	-54,850,976
(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
(Adjustment for temporary exemption of exposures to central banks (if applicable))	-
(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	-
Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
Adjustment for eligible cash pooling transactions	-
Adjustment for derivative financial instruments	-4,954,290
Adjustment for securities financing transactions (SFTs)	1,836,706
Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	5,473,831
(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-
(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-1,487,959
(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-9,418,922
Other adjustments	1,939,772
Total exposure measure	122,972,378

Table 8 (EU LR2 - LRCom): Leverage ratio common disclosure

In € thousands	CRR leverage ratio exposures	
	06.30.2023	12.31.2022
On-balance sheet exposures (excluding derivatives and SFTs)		
On-balance sheet items (excluding derivatives, SFTs, but including collateral)	124,822,466	128,174,600
Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-	-
(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
(General credit risk adjustments to on-balance sheet items)	-	-
(Asset amounts deducted in determining Tier 1 capital)	-	-
Total on-balance sheet exposures (excluding derivatives and SFTs)	124,822,466	128,174,600
Derivative exposures		
Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	250,722	337,599
Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-
Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	448,341	478,567
Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-	-
Exposure determined under Original Exposure Method	-	-
(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)	-	-
Adjusted effective notional amount of written credit derivatives	-	-
(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
Total derivatives exposures	699,063	816,166
Securities financing transaction (SFT) exposures		
Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	2,883,900	2,917,784
(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
Counterparty credit risk exposure for SFT assets	-	-
Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	-	-
Agent transaction exposures	-	-
(Exempted CCP leg of client-cleared SFT exposure)	-	-
Total securities financing transaction exposures	2,883,900	2,917,784
Other off-balance sheet exposures		
Off-balance sheet exposures at gross notional amount	16,856,759	17,401,652
(Adjustments for conversion to credit equivalent amounts)	11,382,929	11,848,516
(General provisions deducted in determining Tier 1 capital and specific provisions associated associated with off-balance sheet exposures)	N/A	N/A
Off-balance sheet exposures	5,473,831	5,553,136

In € thousands	CRR leverage ratio exposures	
	06.30.2023	12.31.2022
Excluded exposures		
(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-1,487,959	-1,445,894
(Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))	-9,418,922	-8,508,595
(Excluded exposures of public development banks (or units) - Public sector investments)	-	-
(Excluded exposures of public development banks (or units) - Promotional loans)	-	-
(Excluded passing-through promotional loan exposures by non-public development banks (or units))	-	-
(Excluded guaranteed parts of exposures arising from export credits)	-	-
(Excluded excess collateral deposited at triparty agents)	-	-
(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	-	-
(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	-	-
(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
(Total exempted exposures)	-10,906,881	-9,954,489
Capital and total exposure measure		
Tier 1 capital	8,341,576	7,507,622
Total exposure measure	122,972,378	127,507,197
Leverage ratio		
Leverage ratio (%)	6.8%	5.9%
Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	0	0
Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	6.8%	5.9%
Regulatory minimum leverage ratio requirement (%)	3.0%	3.0%
Additional own funds requirements to address the risk of excessive leverage (%)	-	-
of which: to be made up of CET1 capital	-	-
Leverage ratio buffer requirement (%)	-	-
Overall leverage ratio requirement (%)	3.0%	3.0%
Choice on transitional arrangements and relevant exposures		
Choice on transitional arrangements for the definition of the capital measure	NA	N/A
Disclosure of mean values		
Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	3,168,631	3,154,029
Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	2,883,900	2,917,784
Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	123,257,109	127,743,442
Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	123,257,109	127,743,442
Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	6.8%	5.9%
Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	6.8%	5.9%

Table 9 (EU LR3 - LRSpl): Split-up of on balance sheet exposures (excluding derivatives, securities financing transactions and exempted exposures)

As at 06.30.2023 In € thousands	CRR leverage ratio exposures
Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	113,915,585
Trading book exposures	-
Banking book exposures, of which:	113,915,585
Covered bonds	2,465,364
Exposures treated as sovereigns	19,489,401
Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	5,669,631
Institutions	2,393,333
Secured by mortgages of immovable properties	34,443,589
Retail exposures	22,655,967
Corporates	18,395,660
Exposures in default	874,385
Other exposures (eg equity, securitisations, and other non-credit obligation assets)	7,528,253

3. Credit risk

Credit risk is one of the Crédit Mutuel Arkéa group's main risks.

3.1. Exposures

The Group uses its internal ratings system to calculate its regulatory capital requirements in respect of credit risk, following the authorization issued by the regulatory authorities:

- using the advanced method, as from June 30, 2008, for the retail customer and the corporate portfolios, excluding large accounts;
- using the foundation method for large accounts and bank portfolios.

As part of the TRIM exercise (targeted review of internal models), the European Central Bank (hereinafter "**ECB**") confirmed the approvals obtained under the advanced internal ratings method for retail portfolios. As regards large accounts and banks, in application of the TRIM constraints imposing limitations on these portfolios, Crédit Mutuel has decided to switch to the foundation method at March 31, 2022, thus anticipating the "Basel 4" rules applicable as from January 1, 2025. All these portfolios are in the process of taking into account the relevant recommendations.

The percentage of exposures authorized under the advanced and foundation method was more than 80% as of June 30, 2023.

Table 10 (EU CR1-A): Maturity of exposures

As at 06.30.2023 In € thousands	Net exposure value					Total
	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	
Loans and advances	3,228,441	3,722,872	24,151,770	65,620,758	162,282	96,886,124
Debt securities	-	2,372,421	3,545,760	2,518,879	-	8,437,060
Total	3,228,441	6,095,294	27,697,530	68,139,637	162,282	105,323,184

3.2. Credit quality of assets

Non-performing exposures

A common definition of default has been adopted for all Credit Mutuel entities. Based on the alignment of the prudential treatment with the accounting treatment (CRC 2002-03), this definition matches the Basel concept of loans in default and the accounting concept of non-performing loans and loans in litigation. The computer software factors in contagion, which means downgrading can be extended to include related outstandings. The controls carried out by the internal audit and by the statutory auditors ensure the reliability of the procedures for identifying defaults used to calculate capital requirements.

Forborne exposures

Exposures are restructured as a result of the debtor's financial difficulties. This involves the Group making concessions to the debtor (changes in the contract terms such as the rate or term, partial waiver, additional financing that would not have been granted in the absence of such difficulties, etc.). The Crédit Mutuel Arkéa group has the means in its IT systems to identify restructured exposures in its performing and non-performing portfolios, which are defined using the principles set out by the EBA on October 23, 2013. Restructuring results, as a minimum, in a transfer to bucket 2.

Table 11 (EU CQ1): Credit quality of forborne exposures

As at 06.30.2023 In € thousands	Gross carrying amount/nominal amount of exposures with forbearance measures			
	Performing forborne	Non-performing forborne		
			Of which defaulted	Of which impaired
Cash balances at central banks and other demand deposits	-	-	-	-
Loans and advances	205,941	573,292	573,292	573,292
<i>Central banks</i>	-	-	-	-
<i>General governments</i>	-	-	-	-
<i>Credit institutions</i>	-	-	-	-
<i>Other financial corporations</i>	1,984	1,945	1,945	1,945
<i>Non-financial corporations</i>	126,373	363,103	363,103	363,103
<i>Households</i>	77,584	208,244	208,244	208,244
Debt Securities	-	-	-	-
Loan commitments given	2,661	3,785	3,785	3,785
Total	208,602	577,077	577,077	577,077

As at 06.30.2023 In € thousands	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
	On performing forborne exposures	On non-performing forborne exposures	Of which collateral and financial guarantees received on non-performing exposures with forbearance measures	
Cash balances at central banks and other demand deposits	-	-	-	-
Loans and advances	-19,196	-180,385	423,588	285,279
<i>Central banks</i>	-	-	-	-
<i>General governments</i>	-	-	-	-
<i>Credit institutions</i>	-	-	-	-
<i>Other financial corporations</i>	-50	-610	3,259	1,325
<i>Non-financial corporations</i>	-14,986	-107,488	273,099	194,400
<i>Households</i>	-4,160	-72,287	147,230	89,554
Debt Securities	-	-	-	-
Loan commitments given	-80	0	3,803	3,255
Total	-19,276	-180,385	427,391	288,534

Table 12 (EU CQ4): Quality of non-performing exposures by geography

As at 06.30.2023 In € thousands	Gross carrying/nominal amount			Accumulated impairment	Provisions on off- balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non- performing exposures
		Of which non-performing (*)	Of which subject to impairment (*)			
			Of which defaulted			
On-balance-sheet exposures	106,544,580		1,558,515		-1,221,396	-
France	99,850,842		1,549,993		-1,209,310	-
Germany	735,306		2		-445	-
Luxembourg	298,720		96		-1,102	-
Belgium	1,754,814		2,416		-3,100	-
United Kingdom	92,090		342		-369	-
Switzerland	71,041		207		-288	-
USA	234,774		2,997		-2,903	-
Spain	539,827		949		-1,324	-
Netherlands	507,458		647		-804	-
Canada	867,288		240		-259	-
Italy	82,597		2		-146	-
Singapore	7,885		-		-3	-
Australia	1,339		-		-2	-
Ireland	317,008		1		-137	-
Portugal	3,676		390		-399	-
Japan	444		-		-	-
Sweden	407,723		-		-127	-
Hong Kong	3,634		-		-2	-
Austria	131,238		-		-94	-
Monaco	3,654		-		-36	-
Russia	385		-		-	-
Ukraine	-		-		-	-
Belarus	-		-		-	-
Other countries	632,837		233		-546	-
Off-balance-sheet exposures	31,717,367		74,942		40,331	
France	31,487,941		74,941		40,186	
Germany	843		-		1	
Luxembourg	33,135		-		48	
Belgium	151,602		1		45	
United Kingdom	1,853		-		1	
Switzerland	12,655		-		7	
USA	6,773		-		3	
Spain	1,242		-		4	
Netherlands	119		-		-	
Canada	385		-		-	
Italy	449		-		2	
Singapore	635		-		-	
Australia	243		-		-	
Ireland	75		-		-	
Portugal	408		-		-	
Japan	12		-		-	
Sweden	11		-		-	
Hong Kong	112		-		-	
Austria	382		-		-	
Monaco	11,012		-		34	
Russia	5		-		-	
Ukraine	1		-		-	
Belarus	-		-		-	
Other countries	7,474		-		-	
Total	138,261,947		1,633,457		-1,221,396	40,331

(*) The publication of these columns is subject to a threshold (NPL rate > 5%), in accordance with Article 8(3) of the Implementing Regulation (EU) 2021/637 laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part 8 of the CRR.

Table 13 (EU CQ5): Credit quality of loans and advances to non-financial corporations by industry

As at 06.30.2023		Gross carrying amount		Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		Of which non-performing (*)	Of which loans and advances subject to impairment (*)		
In € thousands		Of which defaulted			
Agriculture, forestry and fishing	2,307,006	134,172		-115,728	-
Mining and quarrying	25,648	385		-881	-
Manufacturing	1,164,474	139,008		-63,589	-
Electricity, gas, steam and air conditioning supply	510,500	13,407		-17,509	-
Water supply	111,431	4,327		-3,672	-
Construction	1,612,472	55,556		-47,005	-
Wholesale and retail trade	2,670,722	130,598		-96,504	-
Transport and storage	590,414	24,999		-10,461	-
Accommodation and food service activities	648,925	65,864		-40,254	-
Information and communication	270,451	12,604		-6,548	-
Financial and insurance activities	2,227,992	50,007		-57,658	-
Real estate activities	10,292,727	121,695		-129,578	-
Professional, scientific and technical activities	3,004,264	111,080		-81,573	-
Administrative and support service activities	949,238	39,159		-24,702	-
Public administration and defense, compulsory social security	78,374	-		-	-
Education	143,843	1,730		-1,635	-
Human health services and social work activities	393,284	5,463		-7,216	-
Arts, entertainment and recreation	269,210	13,776		-8,928	-
Other services	317,658	7,705		-13,765	-
Total	27,588,633	931,535		-727,206	-

(*) The publication of these columns is subject to a threshold (NPL rate > 5%), in accordance with Article 8(3) of the Implementing Regulation (EU) 2021/637 laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part 8 of the CRR.

Table 14 (EU CQ7): Collateral obtained by taking possession and execution processes

As at 06.30.2023	Collateral obtained by taking possession	
In € thousands	Value at initial recognition	Accumulated negative changes
Property, plant and equipment (PP&E)	-	-
Other than PP&E	1,234	-350
Residential immovable property	1,234	-350
Commercial Immovable property	-	-
Movable property (auto, shipping, etc.)	-	-
Equity and debt instruments	-	-
Other collateral	-	-
Total	1,234	-350

Table 15 (EU CR1): Performing and non-performing exposures and related provisions

As at 06.30.2023 In € thousands	Gross carrying amount/nominal amount					
	Performing exposures			Non-performing exposures		
		Of which stage 1	Of which stage 2		Of which stage 1	Of which stage 3
Cash balances at central banks and other demand deposits	14,013,556	14,013,556	-	-	-	-
Loans and advances	96,544,540	91,769,830	4,709,349	1,558,515	-	1,362,562
Central banks	-	-	-	-	-	-
General governments	8,595,889	8,562,553	33,336	-	-	-
Credit institutions	12,373,995	12,373,995	-	-	-	-
Other financial corporations	1,874,260	1,760,692	113,042	11,475	-	9,861
Non-financial corporations	26,657,098	24,468,826	2,135,758	931,535	-	757,078
Of which SMEs	12,221,173	10,910,388	1,288,941	575,530	-	489,425
Households	47,043,298	44,603,764	2,427,213	615,505	-	595,623
Debt securities	8,441,525	8,234,597	-	-	-	-
Central banks	46,097	46,097	-	-	-	-
General governments	1,551,620	1,551,620	-	-	-	-
Credit institutions	5,212,450	5,212,450	-	-	-	-
Other financial corporations	136,810	134,707	-	-	-	-
Non-financial corporations	1,494,548	1,289,723	-	-	-	-
Off-balance-sheet exposures	31,642,425	30,923,515	708,179	74,942	-	53,874
Central banks	12,971,667	12,971,667	-	-	-	-
General governments	1,530,936	1,530,929	7	-	-	-
Credit institutions	1,966,163	1,965,045	-	-	-	-
Other financial corporations	1,862,654	1,849,339	13,255	1,485	-	340
Non-financial corporations	9,796,275	9,204,900	582,655	52,404	-	32,895
Households	3,514,730	3,401,635	112,262	21,053	-	20,639
Total	150,642,046	144,941,498	5,417,528	1,633,457	-	1,416,436

As at 06.30.2023 In € thousands	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Collateral and financial guarantees received	
	Performing exposures – accumulated impairment and provisions		Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Accumulated partial write-off (*)		On performing exposures	On non-performing exposures
	Of which stage 1	Of which stage 2		Of which stage 1	Of which stage 3			
Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
Loans and advances	-497,522	-238,545	-256,138	-719,409	-	-650,760	-	55,518,095
Central banks	-	-	-	-	-	-	-	-
General governments	-8,661	-7,280	-1,381	-	-	-	-	1,460,998
Credit institutions	-7,552	-7,552	-	-	-	-	-	383,913
Other financial corporations	-14,992	-8,825	-6,163	-6,208	-	-4,972	-	1,132,945
Non-financial corporations	-274,773	-127,298	-145,246	-452,433	-	-395,446	-	18,774,401
Of which SMEs	-156,418	-66,601	-87,854	-307,625	-	-265,607	-	7,432,741
Households	-191,544	-87,590	-103,348	-260,768	-	-250,342	-	33,765,838
Debt securities	-4,465	-4,465	-	-	-	-	-	-
Central banks	-6	-6	-	-	-	-	-	-
General governments	-810	-810	-	-	-	-	-	-
Credit institutions	-1,507	-1,507	-	-	-	-	-	-
Other financial corporations	-1,209	-1,209	-	-	-	-	-	-
Non-financial corporations	-933	-933	-	-	-	-	-	-
Off-balance-sheet exposures	-27,382	-20,357	-6,916	-12,949	-	-10,034	-	3,567,950
Central banks	-	-	-	-	-	-	-	168,875
General governments	-678	-678	-	-	-	-	-	7,702
Credit institutions	-317	-317	-	-	-	-	-	461,969
Other financial corporations	-660	-477	-183	-284	-	-284	-	75,103
Non-financial corporations	-22,213	-15,952	-6,156	-8,604	-	-5,715	-	1,882,988
Households	-3,514	-2,933	-577	-4,061	-	-4,035	-	971,313
Total	-529,369	-263,367	-263,054	-732,358	-	-660,794	-	59,086,045

(*) The Crédit Mutuel Arkéa group applies local law and losses are not recognised until all recovery rights have expired.

Table 16 (EU CR2): Changes in the stock of non-performing loans and advances

In € thousands	Gross carrying amount
Initial stock of non-performing loans and advances as at 12.31.2022	1,481,791
Inflows to non-performing portfolios	309,800
Outflows from non-performing portfolios	-233,076
Outflows due to write-offs	-44,295
Outflow due to other situations	-188,781
Final stock of non-performing loans and advances as at 06.30.2023	1,558,515

3.3. Standardized approach

Exposures dealt with under the standardized approach are set out in the following table.

The Crédit Mutuel Arkéa group uses assessments by rating agencies recognized by the supervisor (external credit assessment institutions - ECAI) to measure the risk on exposures dealt with using the standard method. The ratings of Standard & Poor's, Moody's and Fitch are mainly used for exposures to institutions, governments and central banks. The valuations of the Banque de France are mainly used for exposures to companies.

The cross-reference table used to link the credit quality steps to the external ratings taken into consideration is that defined in the regulations.

Table 17 (EU CR5): Standardised approach

As at 06.30.2023	Risk weight								
In € thousands									
Exposure classes	0%	2%	4%	10%	20%	35%	50%	70%	75%
Central governments or central banks	16,132,194	-	-	-	-	-	-	-	-
Regional government or local authorities	65,040	-	-	-	5,630,984	-	-	-	-
Public sector entities	11,689,935	-	-	-	1,929,079	-	-	-	-
Multilateral development banks	167,968	-	-	-	-	-	-	-	-
International organisations	46,091	-	-	-	-	-	-	-	-
Institutions	142,977	-	-	-	4,447	-	3,605	-	-
Corporates	-	-	-	-	14,236	-	40,532	-	-
Retail exposures	-	-	-	-	-	-	-	-	3,960,803
Exposures secured by mortgages on immovable property	-	-	-	-	-	5,910,391	15,073	-	866,544
Exposures in default	-	-	-	-	-	-	-	-	-
Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-
Covered bonds	-	-	-	8,888	-	-	-	-	-
Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-
Units or shares in collective investment undertakings	-	-	-	-	-	-	-	-	-
Equity exposures	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-	-	-
TOTAL	28,244,206	-	-	8,888	7,578,746	5,910,391	59,210	-	4,827,346

As at 06.30.2023								
In € thousands								
Exposure classes	Risk weight						Total	Of which unrated
	100%	150%	250%	370%	1250%	Others		
Central governments or central banks	-	-	-	-	-	-	16,132,194	-
Regional government or local authorities	-	-	-	-	-	-	5,696,024	-
Public sector entities	-	-	-	-	-	-	13,619,015	-
Multilateral development banks	-	-	-	-	-	-	167,968	-
International organisations	-	-	-	-	-	-	46,091	-
Institutions	-	-	-	-	-	-	151,028	147
Corporates	229,654	4,637	-	-	-	-	289,059	233,682
Retail exposures	-	-	-	-	-	-	3,960,803	3,958,616
Exposures secured by mortgages on immovable property	-	-	-	-	-	-	6,792,008	6,708,786
Exposures in default	250,636	9,937	-	-	-	-	260,574	260,574
Exposures associated with particularly high risk	-	-	-	-	-	-	-	-
Covered bonds	-	-	-	-	-	-	8,888	-
Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-
Units or shares in collective investment undertakings	-	-	-	-	1,017	8,600	9,617	9,617
Equity exposures	13,640	-	52,822	-	-	-	66,462	66,462
Other items	998,166	-	-	-	-	-	998,166	998,166
TOTAL	1,492,096	14,575	52,822	-	1,017	8,600	48,197,897	12,236,049

Exposures to central governments and central banks (sovereign) are weighted exclusively at 0%. The sovereign outstandings weighted at 250% correspond to deferred tax assets.

3.4. Internal ratings-based approach

Rating procedures and parameters

Rating algorithms and expert models have been developed to improve credit risk assessment within Crédit Mutuel and to comply with the regulatory requirements concerning internal ratings-based approaches.

The counterparty rating system is used throughout Crédit Mutuel.

The parameters used to calculate weighted risks (hereinafter “**RWA**”) are national and apply to all Crédit Mutuel entities.

Table 18 (EU CR6): IRB approach – Credit risk exposures by exposure class and PD range

Advanced internal method

A-IRB										Risk			
As at 06.30.2023 In € thousands	PD range	On- balance sheet exposures	Off- balance- sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors (*)	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	wighted exposure amount after supporting factors	Density of risk w ighted exposure amount	Expected loss amount	Value adjust- ments and provisions
Corporates													
	0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.00 to <0.10	-	-	-	-	-	-	-	-	-	-	-	-
	0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	-
	0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-	-
	0.50 to <0.75	5,962,243	2,181,602	79%	6,903,845	0.63%		23.33%	2.50	2,425,800	35%	10,246	-
	0.75 to <2.50	4,605,716	1,755,324	78%	5,358,066	1.50%		23.61%	2.50	2,565,146	48%	19,100	-
	0.75 to <1.75	3,043,375	1,084,300	76%	3,486,971	1.21%		23.28%	2.50	1,573,289	45%	9,822	-
	1.75 to <2.5	1,562,342	671,024	79%	1,871,095	2.04%		24.21%	2.50	991,856	53%	9,279	-
	2.50 to <10.00	2,900,772	999,248	77%	3,366,514	4.00%		24.02%	2.50	2,211,419	66%	32,238	-
	2.5 to <5	2,358,499	870,922	76%	2,802,851	3.28%		24.06%	2.50	1,780,611	64%	21,981	-
	5 to <10	542,273	128,326	78%	563,663	7.62%		23.87%	2.50	430,808	76%	10,257	-
	10.00 to <100.00	446,786	123,827	78%	456,163	20.67%		26.08%	2.50	508,378	111%	24,348	-
	10 to <20	274,126	82,846	79%	297,103	14.77%		27.15%	2.50	312,221	105%	12,104	-
	20 to <30	4,673	8,107	70%	6,848	24.06%		35.79%	2.50	14,148	207%	590	-
	30.00 to <100.00	167,987	32,873	77%	152,212	32.04%		23.56%	2.50	182,008	120%	11,655	-
	100.00 (Default)	416,463	50,265	80%	354,582	100.00%		50.52%	2.50	278,311	78%	157,500	-
	Sub-total (Corporates)	14,331,981	5,110,265	78%	16,439,171	4.31%		24.23%	2.50	7,989,054	49%	243,434	-397,814
Corporates - of which: SMEs													
	0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.00 to <0.10	-	-	-	-	-	-	-	-	-	-	-	-
	0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	-
	0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-	-
	0.50 to <0.75	3,744,614	1,063,786	78%	4,251,937	0.63%		22.51%	2.50	1,198,210	28%	6,066	-
	0.75 to <2.50	2,989,132	907,611	77%	3,404,644	1.51%		22.88%	2.50	1,340,188	39%	11,841	-
	0.75 to <1.75	1,947,067	503,267	76%	2,157,832	1.21%		22.59%	2.50	799,425	37%	5,898	-
	1.75 to <2.5	1,042,065	404,344	77%	1,246,812	2.03%		23.37%	2.50	540,762	43%	5,943	-
	2.50 to <10.00	1,756,607	441,690	76%	1,966,150	4.15%		22.96%	2.50	1,038,802	53%	19,007	-
	2.5 to <5	1,364,836	359,694	76%	1,552,318	3.25%		22.53%	2.50	748,822	48%	11,347	-
	5 to <10	391,771	81,996	77%	413,832	7.53%		24.56%	2.50	289,980	70%	7,660	-
	10.00 to <100.00	323,473	38,913	78%	318,966	19.10%		26.67%	2.50	316,436	99%	15,716	-
	10 to <20	241,701	28,376	78%	237,754	14.98%		28.40%	2.50	243,406	102%	10,252	-
	20 to <30	624	-	100%	624	24.06%		35.67%	2.50	887	142%	54	-
	30.00 to <100.00	81,148	10,537	77%	80,588	31.23%		21.51%	2.50	72,143	90%	5,411	-
	100.00 (Default)	244,930	13,632	81%	220,168	100.00%		52.54%	2.50	174,190	79%	102,124	-
	Sub-total (Corporates - of which: SMEs)	9,058,757	2,465,631	77%	10,161,865	4.34%		23.50%	2.50	4,067,825	40%	154,754	-225,862
Corporates - of which: non-SMEs													
	0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.00 to <0.10	-	-	-	-	-	-	-	-	-	-	-	-
	0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	-
	0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-	-
	0.50 to <0.75	2,217,629	1,117,816	79%	2,651,908	0.64%		24.65%	2.50	1,227,590	46%	4,181	-
	0.75 to <2.50	1,616,585	847,713	78%	1,953,422	1.48%		24.87%	2.50	1,224,958	63%	7,260	-
	0.75 to <1.75	1,096,308	581,033	77%	1,329,139	1.21%		24.40%	2.50	773,864	58%	3,924	-
	1.75 to <2.5	520,277	266,680	81%	624,283	2.06%		25.88%	2.50	451,094	72%	3,336	-
	2.50 to <10.00	1,144,165	557,558	78%	1,400,365	3.80%		25.52%	2.50	1,172,617	84%	13,231	-
	2.5 to <5	993,663	511,228	77%	1,250,533	3.31%		25.95%	2.50	1,031,789	83%	10,634	-
	5 to <10	150,502	46,330	79%	149,831	7.88%		21.97%	2.50	140,828	94%	2,597	-
	10.00 to <100.00	123,313	84,914	78%	137,197	24.33%		24.71%	2.50	191,942	140%	8,632	-
	10 to <20	32,425	54,470	80%	59,349	13.95%		22.16%	2.50	68,816	116%	1,852	-
	20 to <30	4,049	8,107	59%	6,224	24.06%		35.80%	2.50	13,261	213%	536	-
	30.00 to <100.00	86,839	22,336	78%	71,624	32.96%		25.86%	2.50	109,865	153%	6,244	-
	100.00 (Default)	171,533	36,633	80%	134,414	100.00%		47.22%	2.50	104,121	77%	55,376	-
	Sub-total (Corporates - of which: non-SMEs)	5,273,225	2,644,634	78%	6,277,306	4.25%		25.40%	2.50	3,921,229	62%	88,680	-171,952

A-IRB

As at
06.30.2023
In €
thousands

PD range	On- balance sheet exposures	Off- balance- sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors (*)	Exposure weighted average LGD (%)	Exposure weighted average maturity (y ears)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust- ments and provisions
Retail customers												
0.00 to <0.15	28,924,505	2,080,316	65%	29,996,976	0.06%		18.82%	-	997,358	3%	3,578	-
0.00 to <0.10	22,518,507	1,676,455	67%	23,388,721	0.04%		18.79%	-	632,028	3%	1,979	-
0.10 to <0.15	6,405,998	403,861	64%	6,608,255	0.13%		18.93%	-	365,329	6%	1,600	-
0.15 to <0.25	953,760	200,615	66%	1,061,315	0.21%		20.20%	-	80,484	8%	438	-
0.25 to <0.50	5,784,816	434,388	63%	5,956,094	0.31%		20.75%	-	676,647	11%	3,865	-
0.50 to <0.75	2,190,419	214,224	65%	2,228,588	0.56%		22.11%	-	379,831	17%	2,776	-
0.75 to <2.50	3,647,392	652,830	66%	3,925,549	1.51%		22.72%	-	1,071,764	27%	13,414	-
0.75 to <1.75	2,706,693	312,952	64%	2,834,063	1.29%		23.18%	-	722,349	25%	8,552	-
1.75 to <2.5	940,699	339,878	68%	1,091,486	2.09%		21.53%	-	349,415	32%	4,862	-
2.50 to <10.00	1,669,892	168,092	67%	1,714,056	4.71%		25.40%	-	765,789	45%	20,847	-
2.5 to <5	883,267	86,133	67%	912,394	3.38%		23.58%	-	366,874	40%	7,170	-
5 to <10	786,624	81,960	67%	801,662	6.23%		27.47%	-	398,915	50%	13,677	-
10.00 to <100.00	476,338	36,032	70%	479,400	20.64%		22.73%	-	331,730	69%	22,970	-
10 to <20	153,856	22,716	66%	157,880	13.27%		23.84%	-	85,277	54%	5,166	-
20 to <30	274,124	9,640	69%	278,567	22.82%		20.23%	-	211,624	76%	12,785	-
30.00 to <100.00	48,358	3,677	79%	42,954	33.56%		34.83%	-	34,828	81%	5,018	-
100.00 (Defaut)	617,527	13,949	73%	597,778	100.00%		57.25%	-	215,748	36%	325,795	-
Sub-total (Retail customers)	44,264,649	3,800,446	67%	45,959,758	1.93%		20.38%	-	4,519,350	10%	393,683	-472,351
Retail customers - of wich: secured by mortgages on immovable property												
0.00 to <0.15	19,146,565	522,948	68%	19,335,039	0.05%		16.31%	-	522,883	3%	1,869	-
0.00 to <0.10	15,473,130	458,268	68%	15,638,564	0.04%		16.34%	-	346,130	2%	1,101	-
0.10 to <0.15	3,673,434	64,680	68%	3,696,475	0.13%		16.19%	-	176,753	5%	768	-
0.15 to <0.25	120,433	1,393	65%	120,903	0.21%		15.54%	-	6,630	5%	39	-
0.25 to <0.50	2,646,404	42,898	67%	2,661,734	0.29%		15.97%	-	232,393	9%	1,235	-
0.50 to <0.75	958,979	13,792	70%	963,933	0.55%		16.16%	-	140,232	15%	862	-
0.75 to <2.50	1,056,655	74,148	69%	1,083,246	1.56%		17.34%	-	313,392	29%	2,939	-
0.75 to <1.75	742,718	14,246	70%	747,723	1.32%		17.04%	-	188,947	25%	1,686	-
1.75 to <2.5	313,937	59,902	69%	335,523	2.09%		18.03%	-	124,445	37%	1,253	-
2.50 to <10.00	587,856	10,771	71%	591,717	4.32%		17.03%	-	313,212	53%	4,375	-
2.5 to <5	356,371	6,293	70%	358,627	3.22%		16.80%	-	161,605	45%	1,937	-
5 to <10	231,485	4,478	71%	233,091	6.02%		17.37%	-	151,607	65%	2,437	-
10.00 to <100.00	178,884	1,809	73%	179,533	20.35%		16.63%	-	167,554	93%	6,094	-
10 to <20	42,710	209	66%	42,783	12.94%		16.63%	-	33,010	77%	926	-
20 to <30	134,288	1,577	75%	134,855	22.52%		16.51%	-	131,986	98%	5,008	-
30.00 to <100.00	1,887	23	87%	1,895	33.23%		25.72%	-	2,557	135%	160	-
100.00 (Defaut)	230,983	861	73%	231,285	100.00%		55.94%	-	77,226	33%	123,482	-
Sub-total (Retail customers - of wich: secured by mortgages on immovable property)	24,926,759	668,620	70%	25,167,390	1.33%		16.69%	-	1,773,521	7%	140,896	-180,226
Retail customers - of wich: secured by mortgages on immovable property - SMEs												
0.00 to <0.15	1,232,315	13,643	-	1,236,931	0.12%		15.93%	-	47,042	4%	246	-
0.00 to <0.10	-	-	-	-	-		-	-	-	-	-	-
0.10 to <0.15	1,232,315	13,643	64%	1,236,931	0.12%		15.93%	-	47,042	4%	246	-
0.15 to <0.25	120,373	1,393	62%	120,842	0.21%		15.54%	-	6,624	5%	39	-
0.25 to <0.50	554,275	4,922	65%	555,896	0.40%		16.79%	-	52,484	9%	372	-
0.50 to <0.75	110,623	870	65%	110,911	0.58%		19.46%	-	15,765	14%	124	-
0.75 to <2.50	458,274	7,071	65%	460,650	1.37%		17.51%	-	102,827	22%	1,104	-
0.75 to <1.75	352,269	5,209	65%	354,011	1.10%		17.83%	-	71,599	20%	709	-
1.75 to <2.5	106,005	1,862	65%	106,639	2.25%		16.46%	-	31,228	29%	395	-
2.50 to <10.00	131,017	1,415	67%	131,501	5.30%		18.41%	-	68,259	52%	1,275	-
2.5 to <5	75,083	828	66%	75,365	4.11%		17.76%	-	33,312	44%	541	-
5 to <10	55,934	588	70%	56,136	6.89%		19.28%	-	34,947	62%	734	-
10.00 to <100.00	69,391	528	71%	69,577	20.26%		16.78%	-	53,682	77%	2,376	-
10 to <20	29,389	103	65%	29,423	12.27%		16.92%	-	20,696	70%	618	-
20 to <30	38,745	425	69%	38,896	25.92%		16.24%	-	31,104	80%	1,636	-
30.00 to <100.00	1,258	-	100%	1,258	32.27%		30.37%	-	1,882	150%	123	-
100.00 (Defaut)	103,874	142	67%	103,917	100.00%		58.86%	-	25,890	25%	59,192	-
Sub-total (Retail customers - of wich: secured by mortgages on immovable property - SMEs)	2,780,142	29,984	66%	2,790,226	4.87%		18.22%	-	372,573	13%	64,729	-75,783

A-IRB

As at
06.30.2023
In €
thousands

PD range	On- balance sheet exposures	Off- balance- sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors (*)	Exposure weighted average LGD (%)	Exposure weighted average maturity (y years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust- ments and provisions
Retail customers - of wich: secured by mortgages on immovable property - Non-SMEs												
0.00 to <0.15	17,914,249	509,305	71%	18,098,108	0.05%		16.34%	-	475,841	3%	1,623	-
0.00 to <0.10	15,473,130	458,268	68%	15,638,564	0.04%		16.34%	-	346,130	2%	1,101	-
0.10 to <0.15	2,441,119	51,037	75%	2,459,544	0.13%		16.32%	-	129,711	5%	522	-
0.15 to <0.25	60	-	100%	60	0.19%		21.30%	-	6	9%	-	-
0.25 to <0.50	2,092,128	37,976	70%	2,105,838	0.26%		15.75%	-	179,909	9%	863	-
0.50 to <0.75	848,357	12,922	77%	853,021	0.55%		15.73%	-	124,468	15%	738	-
0.75 to <2.50	598,381	67,077	76%	622,596	1.70%		17.22%	-	210,565	34%	1,835	-
0.75 to <1.75	390,449	9,037	77%	393,712	1.52%		16.33%	-	117,348	30%	977	-
1.75 to <2.5	207,932	58,040	76%	228,884	2.01%		18.76%	-	93,217	41%	858	-
2.50 to <10.00	456,839	9,355	75%	460,216	4.04%		16.63%	-	244,952	53%	3,099	-
2.5 to <5	281,289	5,465	77%	283,262	2.98%		16.55%	-	128,293	45%	1,396	-
5 to <10	175,551	3,890	73%	176,955	5.74%		16.76%	-	116,659	66%	1,703	-
10.00 to <100.00	109,493	1,282	77%	109,956	20.41%		16.54%	-	113,872	104%	3,718	-
10 to <20	13,321	106	68%	13,359	14.43%		16.00%	-	12,314	92%	309	-
20 to <30	95,543	1,153	82%	95,959	21.14%		16.62%	-	100,882	105%	3,372	-
30.00 to <100.00	629	23	79%	637	35.12%		16.54%	-	675	106%	37	-
100.00 (Default)	127,109	719	84%	127,369	100.00%		53.55%	-	51,336	40%	64,290	-
Sub-total (Retail customers - secured by mortgages on immovable property - Non-SMEs)	22,146,618	638,636	75%	22,377,165	0.89%		16.50%	-	1,400,948	6%	76,166	-104,443
Retail customers - revolving												
0.00 to <0.15	21,319	86,326	34%	26,238	0.07%		32.60%	-	458	2%	7	-
0.00 to <0.10	16,370	75,681	32%	20,639	0.06%		32.60%	-	306	1%	4	-
0.10 to <0.15	4,950	10,645	37%	5,599	0.13%		32.60%	-	152	3%	2	-
0.15 to <0.25	4,429	13,624	33%	5,247	0.19%		32.60%	-	195	4%	3	-
0.25 to <0.50	17,126	26,342	32%	18,822	0.35%		32.60%	-	1,151	6%	22	-
0.50 to <0.75	4,000	3,080	32%	4,211	0.55%		32.60%	-	368	9%	8	-
0.75 to <2.50	18,744	16,792	35%	19,925	1.45%		32.60%	-	3,626	18%	94	-
0.75 to <1.75	10,761	10,293	37%	11,466	1.11%		32.60%	-	1,719	15%	42	-
1.75 to <2.5	7,983	6,499	32%	8,459	1.91%		32.60%	-	1,907	23%	53	-
2.50 to <10.00	13,243	4,171	39%	13,556	4.49%		32.60%	-	5,467	40%	198	-
2.5 to <5	7,554	2,929	39%	7,772	3.25%		32.60%	-	2,554	33%	82	-
5 to <10	5,689	1,242	39%	5,785	6.15%		32.60%	-	2,913	50%	116	-
10.00 to <100.00	3,219	555	36%	3,260	19.73%		32.60%	-	3,067	94%	210	-
10 to <20	933	223	36%	951	15.91%		32.60%	-	818	86%	49	-
20 to <30	2,259	327	32%	2,282	21.14%		32.60%	-	2,218	97%	157	-
30.00 to <100.00	27	5	45%	28	35.12%		32.60%	-	30	111%	3	-
100.00 (Default)	3,216	24	49%	3,217	100.00%		72.00%	-	1,394	43%	2,210	-
Sub-total (Retail customers - revolving)	85,296	150,913	36%	94,476	5.16%		33.94%	-	15,726	17%	2,752	-3,996
Retail customers - other												
0.00 to <0.15	9,756,621	1,471,041	71%	10,635,699	0.07%		23.35%	-	474,016	4%	1,702	-
0.00 to <0.10	7,029,007	1,142,506	81%	7,729,518	0.05%		23.71%	-	285,592	4%	873	-
0.10 to <0.15	2,727,614	328,536	67%	2,906,181	0.13%		22.40%	-	188,424	6%	829	-
0.15 to <0.25	828,898	185,598	73%	935,166	0.21%		20.73%	-	73,659	8%	395	-
0.25 to <0.50	3,121,287	365,149	67%	3,275,539	0.32%		24.57%	-	443,103	14%	2,608	-
0.50 to <0.75	1,227,439	197,353	67%	1,260,445	0.57%		26.63%	-	239,231	19%	1,906	-
0.75 to <2.50	2,571,993	561,890	69%	2,822,378	1.50%		24.72%	-	754,746	27%	10,381	-
0.75 to <1.75	1,953,214	288,413	66%	2,074,874	1.28%		25.34%	-	531,683	26%	6,824	-
1.75 to <2.5	618,779	273,477	72%	747,504	2.10%		22.98%	-	223,063	30%	3,556	-
2.50 to <10.00	1,068,792	153,151	70%	1,108,783	4.92%		29.78%	-	447,110	40%	16,274	-
2.5 to <5	519,341	76,911	69%	545,996	3.48%		27.91%	-	202,715	37%	5,150	-
5 to <10	549,451	76,240	70%	562,787	6.31%		31.60%	-	244,395	43%	11,124	-
10.00 to <100.00	294,235	33,668	75%	296,607	20.82%		26.31%	-	161,109	54%	16,666	-
10 to <20	110,212	22,284	70%	114,146	13.38%		26.47%	-	51,449	45%	4,191	-
20 to <30	137,578	7,735	74%	141,429	23.14%		23.59%	-	77,420	55%	7,620	-
30.00 to <100.00	46,444	3,648	84%	41,031	33.58%		35.25%	-	32,240	79%	4,855	-
100.00 (Default)	383,328	13,064	77%	363,276	100.00%		57.96%	-	137,129	38%	200,103	-
Sub-total (Retail customers - other)	19,252,594	2,980,913	71%	20,697,892	2.65%		24.81%	-	2,730,103	13%	250,035	-288,129

A-IRB	PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors (*)	Exposure weighted average LGD (%)	Exposure weighted average maturity (y ears)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
As at 06.30.2023 In € thousands													
Retail customers - other - SMEs													
	0.00 to <0.15	1,493,538	153,117	0%	1,559,739	0.13%		21.33%	-	82,194	5%	415	-
	0.00 to <0.10	-	-	-	-	-	-	-	-	-	-	-	-
	0.10 to <0.15	1,493,538	153,117	53%	1,559,739	0.13%		21.33%	-	82,194	5%	415	-
	0.15 to <0.25	698,870	131,562	55%	759,920	0.21%		17.58%	-	47,429	6%	281	-
	0.25 to <0.50	1,164,846	156,257	55%	1,170,020	0.39%		26.69%	-	162,090	14%	1,188	-
	0.50 to <0.75	823,428	154,137	55%	837,132	0.58%		28.37%	-	156,352	19%	1,366	-
	0.75 to <2.50	1,895,874	265,691	55%	1,966,527	1.46%		23.96%	-	457,776	23%	6,845	-
	0.75 to <1.75	1,560,065	193,641	54%	1,604,743	1.28%		24.96%	-	378,368	24%	5,238	-
	1.75 to <2.5	335,809	72,050	56%	361,784	2.28%		19.50%	-	79,408	22%	1,606	-
	2.50 to <10.00	743,514	118,082	56%	757,423	5.22%		31.19%	-	296,384	39%	12,221	-
	2.5 to <5	327,507	54,796	55%	338,157	3.71%		28.77%	-	117,142	35%	3,426	-
	5 to <10	416,008	63,286	56%	419,266	6.44%		33.15%	-	179,242	43%	8,795	-
	10.00 to <100.00	211,172	19,971	60%	208,105	21.17%		25.88%	-	101,595	49%	11,854	-
	10 to <20	95,195	11,906	55%	96,170	13.14%		25.89%	-	39,907	41%	3,410	-
	20 to <30	70,755	4,436	60%	72,139	25.06%		20.50%	-	30,331	42%	3,695	-
	30.00 to <100.00	45,222	3,629	69%	39,796	33.53%		35.59%	-	31,356	79%	4,749	-
	100.00 (Default)	306,747	11,665	66%	285,799	100.00%		57.82%	-	105,622	37%	157,209	-
	Sub-total (Retail customers - other - SMEs)	7,337,988	1,010,481	57%	7,544,664	5.45%		25.75%	-	1,409,442	19%	191,378	-221,730
Retail customers - other - Non-SMEs													
	0.00 to <0.15	8,263,082	1,317,925	82%	9,075,960	0.06%		23.70%	-	391,822	4%	1,287	-
	0.00 to <0.10	7,029,007	1,142,506	81%	7,729,518	0.05%		23.71%	-	285,592	4%	873	-
	0.10 to <0.15	1,234,076	175,419	83%	1,346,442	0.13%		23.63%	-	106,230	8%	414	-
	0.15 to <0.25	130,029	54,036	94%	175,246	0.19%		34.38%	-	26,231	15%	114	-
	0.25 to <0.50	1,956,442	208,892	81%	2,105,518	0.28%		23.39%	-	281,013	13%	1,421	-
	0.50 to <0.75	404,011	43,216	84%	423,313	0.55%		23.20%	-	82,879	20%	540	-
	0.75 to <2.50	676,120	296,199	85%	855,851	1.58%		26.45%	-	296,970	35%	3,536	-
	0.75 to <1.75	393,150	94,772	82%	470,131	1.30%		26.63%	-	153,315	33%	1,586	-
	1.75 to <2.5	282,970	201,428	88%	385,720	1.93%		26.24%	-	143,655	37%	1,950	-
	2.50 to <10.00	325,278	35,069	88%	351,359	4.27%		26.75%	-	150,726	43%	4,053	-
	2.5 to <5	191,835	22,114	89%	207,839	3.11%		26.51%	-	85,573	41%	1,725	-
	5 to <10	133,444	12,955	87%	143,521	5.94%		27.09%	-	65,153	45%	2,328	-
	10.00 to <100.00	83,063	13,696	95%	88,503	20.01%		27.33%	-	59,514	67%	4,812	-
	10 to <20	15,017	10,377	90%	17,977	14.64%		29.59%	-	11,541	64%	781	-
	20 to <30	66,823	3,300	95%	69,290	21.14%		26.80%	-	47,089	68%	3,925	-
	30.00 to <100.00	1,223	19	103%	1,236	35.12%		24.41%	-	884	72%	106	-
	100.00 (Default)	76,581	1,399	90%	77,477	100.00%		58.46%	-	31,507	41%	42,894	-
	Sub-total (Retail customers - other - Non-SMEs)	11,914,605	1,970,432	87%	13,153,228	1.05%		24.27%	-	1,320,661	10%	58,658	-66,399
	Total	58,596,630	8,910,711	70%	62,398,929	2.56%		21.40%	2.50	12,508,404	20%	637,117	-870,165

(*) Pursuant to Article 432(2) of the CRR, the Crédit Mutuel Arkéa group does not publish information relating to Article 452(g) of the CRR, which it considers sensitive.

Internal foundation method

F-IRB													
As at	FD range	On- balance sheet exposures	Off- balance- sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average FD (%)	Number of obligors (*)	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust- ments and provisions
06.30.2023													
In € thousands													
Credit institution													
	0.00 to <0.15	6,028,910	81,949	83%	6,064,534	0.04%		31%	2.5	775,564	13%	648	-
	0.00 to <0.10	5,543,513	81,921	83%	5,579,132	0.03%		31%	2.5	584,290	10%	454	-
	0.10 to <0.15	485,396	28	84%	485,402	0.10%		40%	2.5	191,274	39%	194	-
	0.15 to <0.25	114,505	-	100%	114,505	0.22%		45%	2.5	78,029	68%	113	-
	0.25 to <0.50	45,233	-	100%	45,233	0.36%		45%	2.5	38,965	86%	72	-
	0.50 to <0.75	-	-	-	-	-		-	-	-	-	-	-
	0.75 to <2.50	-	-	-	-	-		-	-	-	-	-	-
	0.75 to <1.75	-	-	-	-	-		-	-	-	-	-	-
	1.75 to <2.5	-	-	-	-	-		-	-	-	-	-	-
	2.50 to <10.00	-	-	-	-	-		-	-	-	-	-	-
	2.5 to <5	-	-	-	-	-		-	-	-	-	-	-
	5 to <10	-	-	-	-	-		-	-	-	-	-	-
	10.00 to <100.00	-	-	-	-	-		-	-	-	-	-	-
	10 to <20	-	-	-	-	-		-	-	-	-	-	-
	20 to <30	-	-	-	-	-		-	-	-	-	-	-
	30.00 to <100.00	-	-	-	-	-		-	-	-	-	-	-
	100.00 (Default)	-	-	-	-	-		-	-	-	-	-	-
	Sub-total (Credit institution)	6,188,648	81,949	87%	6,224,272	0.05%		32%	2.5	892,558	14%	834	-1,914
Corporates													
	0.00 to <0.15	2,510,311	1,242,977	88%	3,168,362	0.09%		45%	2.5	972,870	31%	1,305	-
	0.00 to <0.10	1,576,511	554,128	87%	1,866,941	0.07%		45%	2.5	497,676	27%	600	-
	0.10 to <0.15	933,801	688,849	88%	1,301,422	0.12%		45%	2.5	475,194	37%	705	-
	0.15 to <0.25	-	-	-	-	-		-	-	-	-	-	-
	0.25 to <0.50	1,768,489	1,283,668	83%	2,487,601	0.33%		45%	2.5	1,566,191	63%	3,694	-
	0.50 to <0.75	-	-	-	-	-		-	-	-	-	-	-
	0.75 to <2.50	2,025,330	1,120,047	85%	2,579,669	1.08%		45%	2.5	2,652,637	103%	12,501	-
	0.75 to <1.75	2,025,330	1,120,047	85%	2,579,669	1.08%		45%	2.5	2,652,637	103%	12,501	-
	1.75 to <2.5	-	-	-	-	-		-	-	-	-	-	-
	2.50 to <10.00	478,575	223,823	88%	567,072	3.32%		45%	2.5	827,362	146%	8,472	-
	2.5 to <5	478,575	223,823	88%	567,072	3.32%		45%	2.5	827,362	146%	8,472	-
	5 to <10	-	-	-	-	-		-	-	-	-	-	-
	10.00 to <100.00	73,487	35,327	89%	90,716	15.86%		45%	2.5	225,373	248%	6,474	-
	10 to <20	73,487	35,327	89%	90,716	15.86%		45%	2.5	225,373	248%	6,474	-
	20 to <30	-	-	-	-	-		-	-	-	-	-	-
	30.00 to <100.00	-	-	-	-	-		-	-	-	-	-	-
	100.00 (Default)	133,994	11,686	77%	108,125	100.00%		45%	2.5	-	-	56,952	-
	Sub-total (Corporates)	6,990,185	3,917,528	86%	9,001,545	2.00%		45%	2.5	6,244,433	69%	89,399	-80,745
Corporates - of which: non-SMEs													
	0.00 to <0.15	2,510,311	1,242,977	0%	3,168,362	0.09%		45%	2.5	972,870	31%	1,305	-
	0.00 to <0.10	1,576,511	554,128	0%	1,866,941	0.07%		45%	2.5	497,676	27%	600	-
	0.10 to <0.15	933,801	688,849	0%	1,301,422	0.12%		45%	2.5	475,194	37%	705	-
	0.15 to <0.25	-	-	-	-	-		-	-	-	-	-	-
	0.25 to <0.50	1,768,489	1,283,668	0%	2,487,601	0.33%		45%	2.5	1,566,191	63%	3,694	-
	0.50 to <0.75	-	-	-	-	-		-	-	-	-	-	-
	0.75 to <2.50	2,025,330	1,120,047	78%	2,579,669	1.08%		45%	2.5	2,652,637	103%	12,501	-
	0.75 to <1.75	2,025,330	1,120,047	77%	2,579,669	1.08%		45%	2.5	2,652,637	103%	12,501	-
	1.75 to <2.5	-	-	-	-	-		-	-	-	-	-	-
	2.50 to <10.00	478,575	223,823	78%	567,072	3.32%		45%	2.5	827,362	146%	8,472	-
	2.5 to <5	478,575	223,823	77%	567,072	3.32%		45%	2.5	827,362	146%	8,472	-
	5 to <10	-	-	-	-	-		-	-	-	-	-	-
	10.00 to <100.00	73,487	35,327	78%	90,716	15.86%		45%	2.5	225,373	248%	6,474	-
	10 to <20	73,487	35,327	80%	90,716	15.86%		45%	2.5	225,373	248%	6,474	-
	20 to <30	-	-	-	-	-		-	-	-	-	-	-
	30.00 to <100.00	-	-	-	-	-		-	-	-	-	-	-
	100.00 (Default)	133,994	11,686	80%	108,125	100.00%		45%	2.5	-	-	56,952	-
	Sub-total (Corporates - of which: non-SMEs)	6,990,185	3,917,528	78%	9,001,545	2.00%		45%	2.5	6,244,433	69%	89,399	-80,745
	Total	13,178,833	3,999,477	86%	15,225,816	1.20%		40%	2.5	7,136,991	47%	90,233	-82,659

(*) Pursuant to Article 432(2) of the CRR, the Crédit Mutuel Arkéa group does not publish information relating to Article 452(g) of the CRR, which it considers sensitive.

Additional quantitative information

Table 19 (EU CR8): RWEA flow statements of credit risk exposures under the IRB approach

In € thousands	Risk weighted exposure amount
Risk weighted exposure amount as at 03.31.2023	19,208,992
Asset size (+/-)	578,424
Asset quality (+/-)	34,046
Model updates (+/-)	333,630
Methodology and policy (+/-)	-
Acquisitions and disposals (+/-)	-
Foreign exchange movements (+/-)	-
Other (+/-)	-
Risk weighted exposure amount as at 06.30.2023	20,155,093

The risk-weighted assets (RWAs) of specialized financing exposures are obtained using the slotting criteria method.

The risk-weighted assets (RWAs) of equity exposures are obtained using the simple risk-weighted approach, which involves applying specific risk weightings to the carrying amounts of the exposures.

The Crédit Mutuel Arkéa group has no exposure to specialized lending such as object finance and commodities finance. Consequently, the following tables are not displayed in the Group's Pillar 3 report:

- EU CR10.3: Specialised lending - Object finance (Slotting approach);
- EU CR10.4: Specialised lending - Commodities finance (Slotting approach).

Table 20 (EU CR10.1): Specialised lending - Project finance (Slotting approach)

As at 06.30.2023

In € thousands

Regulatory categories	Remaining maturity	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Category 1	Less than 2.5 years	27,433	11,002	50%	35,685	15,637	-
	Equal to or more than 2.5 years	524,661	157,712	70%	642,945	398,697	2,572
Category 2	Less than 2.5 years	-	-	70%	-	-	-
	Equal to or more than 2.5 years	809	94	90%	880	825	7
Category 3	Less than 2.5 years	-	-	115%	-	-	-
	Equal to or more than 2.5 years	-	-	115%	-	-	-
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	-	-	250%	-	-	-
Category 5	Less than 2.5 years	-	-	-	-	-	-
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total	Less than 2.5 years	27,433	11,002		35,685	15,637	-
	Equal to or more than 2.5 years	525,470	157,806		643,825	399,522	2,579

Table 21 (EU CR10.2): Specialised lending - Income-producing real estate and high volatility commercial real estate (Slotting approach)

As at 06.30.2023

In € thousands

Regulatory categories	Remaining maturity	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Category 1	Less than 2.5 years	65,103	14,997	50%	76,350	39,778	-
	Equal to or more than 2.5 years	60,034	3,499	70%	62,658	45,703	251
Category 2	Less than 2.5 years	12,418	-	70%	12,418	9,058	50
	Equal to or more than 2.5 years	-	-	90%	-	-	-
Category 3	Less than 2.5 years	-	-	115%	-	-	-
	Equal to or more than 2.5 years	-	-	115%	-	-	-
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	-	-	250%	-	-	-
Category 5	Less than 2.5 years	-	-	-	-	-	-
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total	Less than 2.5 years	77,521	14,997		88,768	48,836	50
	Equal to or more than 2.5 years	60,034	3,499		62,658	45,703	251

Table 22 (EU CR10.5): Equity exposures under the simple risk-weighted approach

As at 06.30.2023 Categories In € thousands	On- balancesheet exposure	Off- balancesheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Private equity exposures	767,898	-	190%	767,898	1,459,005	6,143
Exchange-traded equity exposures	180,884	-	290%	180,884	524,564	1,447
Other equity exposures	2,760,630	2,658	370%	2,763,288	10,224,164	66,319
Total	3,709,411	2,658		3,712,069	12,207,734	73,909

4. Counterparty credit risk

Counterparty credit risk corresponds to the risk incurred on:

- derivative instruments in the banking book and the trading book;
- repo transactions in the banking book.

For the Crédit Mutuel Arkéa group, counterparty credit risk is a small component of overall credit risk.

The Crédit Mutuel Arkéa group has no exposure to credit derivatives and does not apply the IMM approach for counterparty credit risk. Consequently, the following tables are not displayed in the Group's Pillar 3 report:

- EU CCR6: Credit derivatives exposures;
- EU CCR7: RWEA flow statements of CCR exposures under the IMM.

Table 23 (EU CCR1): Analysis of CCR exposure by approach

As at 06.30.2023 In € thousands	Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU - Original Exposure Method (for derivatives)	-	-	-	1.4	-	-	-	-
EU - Simplified SA-CCR (for derivatives)	-	-	-	1.4	-	-	-	-
SA-CCR (for derivatives)	179,087	320,243	-	1.4	699,063	699,063	699,057	164,277
IMM (for derivatives and SFTs)	-	-	-	-	-	-	-	-
Of which securities financing transactions netting sets	-	-	-	-	-	-	-	-
Of which derivatives and long settlement transactions netting sets	-	-	-	-	-	-	-	-
Of which from contractual cross-product netting sets	-	-	-	-	-	-	-	-
Financial collateral simple method (for SFTs)	-	-	-	-	-	-	-	-
Financial collateral comprehensive method (for SFTs)	-	-	-	-	2,883,900	2,883,900	2,883,900	113,431
VaR for SFTs	-	-	-	-	-	-	-	-
Total	-	-	-	-	3,582,962	3,582,962	3,582,957	277,708

Table 24 (EU CCR2): Transactions subject to own funds requirements for CVA risk

As at 06.30.2023 In € thousands	Exposure value	RWEA
Total transactions subject to the Advanced method	-	-
(i) VaR component (including the 3× multiplier)		-
(ii) stressed VaR component (including the 3× multiplier)		-
Transactions subject to the Standardised method	104,170	65,782
Transactions subject to the Alternative approach (Based on the Original Exposure Method)	-	-
Total transactions subject to own funds requirements for CVA risk	104,170	65,782

Table 25 (EU CCR3): Standardised approach - CCR exposures by regulatory exposure class and risk weights

As at 06.30.2023 In € thousands Exposure classes	Risk weight											Total exposure value
	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	
Central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-
Regional government or local authorities	-	-	-	-	245,284	-	-	-	-	-	-	245,284
Public sector entities	30,805	-	-	-	408	-	-	-	-	-	-	31,212
Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	-	243,555	-	-	-	-	-	-	-	-	-	243,555
Corporates	-	-	-	-	-	-	-	-	-	-	-	-
Retail	-	-	-	-	-	-	-	-	-	-	-	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-	-	-	218	-	218
Total exposure value	30,805	243,555	-	-	245,692	-	-	-	-	218	-	520,269

Table 26 (EU CCR4): IRB approach - CCR exposures by exposure class and PD scale

Advanced internal method

A-IRB								
In € thousands	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors (*)	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amounts
As at 06.30.2023								
Corporates								
	0.00 to <0.15	-	-		-	-	-	-
	0.15 to <0.25	-	-		-	-	-	-
	0.25 to <0.50	-	-		-	-	-	-
	0.50 to <0.75	12,565	0.65%		45%	2.5	8,285	-
	0.75 to <2.50	12,537	1.52%		45%	2.5	11,737	-
	2.50 to <10.00	24,402	4.26%		45%	2.5	32,831	-
	10.00 to <100.00	1,328	18.85%		45%	2.5	2,866	-
	100.00 (Default)	21	100.00%		75%	2.5	-	-
Sub-total (Corporates)		50,853	3.11%		45%	2.5	55,719	110%
Corporates - of which: SMEs								
	0.00 to <0.15	-	-		-	-	-	-
	0.15 to <0.25	-	-		-	-	-	-
	0.25 to <0.50	-	-		-	-	-	-
	0.50 to <0.75	9,035	0.65%		45%	2.5	5,285	-
	0.75 to <2.50	7,286	1.40%		45%	2.5	5,517	-
	2.50 to <10.00	10,205	4.49%		45%	2.5	11,179	-
	10.00 to <100.00	403	25.27%		45%	2.5	707	-
	100.00 (Default)	4	100.00%		75%	2.5	-	-
Sub-total (Corporates - of which: SMEs)		26,932	2.69%		45%	2.5	22,688	84%
Corporates - of which: non-SMEs								
	0.00 to <0.15	-	-		-	-	-	-
	0.15 to <0.25	-	-		-	-	-	-
	0.25 to <0.50	-	-		-	-	-	-
	0.50 to <0.75	3,530	0.65%		45%	2.5	2,999	-
	0.75 to <2.50	5,251	0.17%		45%	2.5	6,220	-
	2.50 to <10.00	14,197	4.09%		45%	2.5	21,652	-
	10.00 to <100.00	925	1.61%		45%	2.5	2,160	-
	100.00 (Default)	17	10.00%		75%	2.5	-	-
Sub-total (Corporates - of which: non-SMEs)		23,920	3.58%		45%	2.5	33,031	138%

A-IRB								
In € thousands	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors (*)	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amounts
As at 06.30.2023								
Retail customers								
	0.00 to <0.15	-	-		-	-	-	-
	0.15 to <0.25	-	-		-	-	-	-
	0.25 to <0.50	9	0.37%		45%	-	2.2	0
	0.50 to <0.75	-	-		-	-	-	-
	0.75 to <2.50	1	1.77%		45%	-	1	1
	2.50 to <10.00	147	5.31%		45%	-	85	1
	10.00 to <100.00	-	-		-	-	-	-
	100.00 (Default)	-	-		-	-	-	-
Sub-total (Retail customers)		157	5.01%		45%	-	88	56%
Retail customers - other								
	0.00 to <0.15	-	-		-	-	-	-
	0.15 to <0.25	-	-		-	-	-	-
	0.25 to <0.50	9	0.37%		45%	-	2.2	0
	0.50 to <0.75	-	-		-	-	-	-
	0.75 to <2.50	1	1.77%		45%	-	1	1
	2.50 to <10.00	147	5.31%		45%	-	85	1
	10.00 to <100.00	-	-		-	-	-	-
	100.00 (Default)	-	-		-	-	-	-
Sub-total (Retail customers - other)		157	5.01%		45%	-	88	56%
Retail customers - other - SMEs								
	0.00 to <0.15	-	-		-	-	-	-
	0.15 to <0.25	-	-		-	-	-	-
	0.25 to <0.50	6	0.41%		45%	-	1.6	0
	0.50 to <0.75	-	-		-	-	-	-
	0.75 to <2.50	-	-		-	-	-	-
	2.50 to <10.00	137	5.19%		45%	-	77	1
	10.00 to <100.00	-	-		-	-	-	-
	100.00 (Default)	-	-		-	-	-	-
Sub-total (Retail customers - other - SMEs)		143	4.98%		45%	-	79	55%
Retail customers - other - Non-SMEs								
	0.00 to <0.15	-	-		-	-	-	-
	0.15 to <0.25	-	-		-	-	-	-
	0.25 to <0.50	2	0		0	-	1	0
	0.50 to <0.75	-	-		-	-	-	-
	0.75 to <2.50	1	1.77%		45%	-	0.8	1
	2.50 to <10.00	10	7.04%		45%	-	7	1
	10.00 to <100.00	-	-		-	-	-	-
	100.00 (Default)	-	-		-	-	-	-
Sub-total (Retail customers - other - Non-SMEs)		13	5.30%		45%	-	9	66%
Total		51,009	3.12%		45%	2.5	55,807	109%

(*) Pursuant to Article 432(2) of the CRR, the Crédit Mutuel Arkéa group does not publish information relating to Article 452(g) of the CRR, which it considers sensitive.

Internal foundation method

F-IRB		Exposure value	Exposure weighted average PD (%)	Number of obligors (*)	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amounts
In € thousands	PD scale							
As at 06.30.2023								
Credit institution								
	0.00 to <0.15	2,860,684	0.10%		45%	2.5	97,106	-
	0.15 to <0.25	120,899	0.22%		45%	2.5	51,344	-
	0.25 to <0.50	-	-		-	-	-	-
	0.50 to <0.75	-	-		-	-	-	-
	0.75 to <2.50	-	-		-	-	-	-
	2.50 to <10.00	-	-		-	-	-	-
	10.00 to <100.00	-	-		-	-	-	-
	100.00 (Default)	-	-		-	-	-	-
Sub-total (Credit institution)		2,981,582	0.10%		45%	2.5	148,450	5%
Corporates								
	0.00 to <0.15	6,398	0.11%		45%	2.5	2,233	-
	0.15 to <0.25	-	-		-	-	-	-
	0.25 to <0.50	12,710	0.33%		45%	2.5	8,011	-
	0.50 to <0.75	-	-		-	-	-	-
	0.75 to <2.50	3,066	0.91%		45%	2.5	2,995	-
	2.50 to <10.00	3,620	3.32%		45%	2.5	5,284	-
	10.00 to <100.00	238	15.86%		45%	2.5	591	-
	100.00 (Default)	4,069	100.00%		45%	2.5	0%	-
Sub-total (Corporates)		30,101	14.30%		45%	2.5	19,114	63%
Corporates - of which: non-SMEs								
	0,00 à <0,15	6,398	0.11%		45%	2.5	2,233	-
	0,15 à <0,25	-	-		-	-	-	-
	0,25 à <0,50	12,710	0.33%		45%	2.5	8,011	-
	0,50 à <0,75	-	-		-	-	-	-
	0,75 à <2,50	3,066	0.91%		45%	2.5	2,995	-
	2,50 à <10,00	3,620	3.32%		45%	2.5	5,284	-
	10,00 à <100,00	238	15.86%		45%	2.5	591	-
	100,00 (défaut)	4,069	100.00%		45%	2.5	0%	-
Sub-total (Corporates - of which: non-SMEs)		30,101	14.30%		45%	2.5	19,114	63%
Total		3,011,684	0.25%		45%	2.5	167,564	6%

(*) Pursuant to Article 432(2) of the CRR, the Crédit Mutuel Arkéa group does not publish information relating to Article 452(g) of the CRR, which it considers sensitive.

Table 27 (EU CCR8): Exposures to CCPs

As at 06.30.2023 In € thousands	Exposure value	RWEA
Exposures to QCCPs (total)		4,871
Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	243,555	4,871
(i) OTC derivatives	243,555	4,871
(ii) Exchange-traded derivatives	-	-
(iii) SFTs	-	-
(iv) Netting sets where cross-product netting has been approved	-	-
Segregated initial margin	-	
Non-segregated initial margin	-	-
Prefunded default fund contributions	-	-
Unfunded default fund contributions	-	-
Exposures to non-QCCPs (total)		-
Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
(i) OTC derivatives	-	-
(ii) Exchange-traded derivatives	-	-
(iii) SFTs	-	-
(iv) Netting sets where cross-product netting has been approved	-	-
Segregated initial margin	-	
Non-segregated initial margin	-	-
Prefunded default fund contributions	-	-
Unfunded default fund contributions	-	-

5. Credit risk mitigation techniques

Financial, personal and real collateral can be used directly to reduce the calculation of credit risk-related capital requirements that help to determine the calculation of the Group's solvency ratio. The use of collateral in risk mitigation techniques is, however, subject to compliance with eligibility conditions and minimum requirements imposed by regulations.

Table 28 (EU CR3): CRM techniques overview - Disclosure of the use of credit risk mitigation techniques

As at 06.30.2023 In € thousands	Unsecured carrying amount	Secured carrying amount			
			Of which secured by collateral	Of which secured by financial guarantees	
					Of which secured by credit derivatives
Loans and advances	54,754,401	56,145,279	41,167,154	14,978,125	-
Debt securities	8,437,060	-	-	-	-
Total	63,191,461	56,145,279	41,167,154	14,978,125	-
Of which non-performing exposures	211,922	627,184	605,210	21,974	-
Of which defaulted	211,922	627,184	-	-	-

Table 29 (EU CR4): Standardised approach - Credit risk exposure and CRM effects

As at 06.30.2023 In € thousands	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
	On-balance- sheet exposures	Off-balance- sheet exposures	On-balance- sheet exposures	Off-balance- sheet exposures	RWAs	RWAs density (%)
Exposure classes						
Central governments or central banks	15,133,295	14,996-	16,132,194	-	-	0%
Regional government or local authorities	5,669,631	767,412	5,669,631	26,393	1,126,197	20%
Public sector entities	13,560,968	805,675	13,560,968	58,047	385,816	3%
Multilateral development banks	167,968	-	167,968	-	-	-
International organisations	46,091	-	46,091	-	-	-
Institutions	151,028	-	151,028	-	2,692	2%
Corporates	204,650	168,818	204,650	84,409	237,719	82%
Retail	3,803,030	411,070	3,803,030	157,772	2,891,993	73%
Secured by mortgages on immovable property	6,759,109	65,831	6,759,109	32,899	2,709,759	40%
Exposures in default	260,417	1,658	260,417	157	265,542	102%
Exposures associated with particularly high risk	-	-	-	-	-	-
Covered bonds	8,888	-	8,888	-	889	10%
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
Collective investment undertakings	9,612	5	9,612	5	25,382	264%
Equity	66,462	-	66,462	-	145,695	219%
Other items	998,166	-	998,166	-	998,166	100%
TOTAL	46,839,316	2,235,464	47,838,215	359,682	8,789,850	18%

Outstandings measured using the standardized approach mainly concern:

- the categories comprising central and local governments and similar entities;
- mortgage lending by specialized subsidiaries.

This type of counterparty or lending benefits from preferential weighting. There is no additional impact from the use of risk mitigation (CRM) techniques.

Table 30 (EU CR7-A): IRB approach - Disclosure of the extent of the use of CRM techniques

Advanced internal method

A-IRB	Total exposures	Credit risk Mitigation techniques				
		Funded credit Protection (FCP)				
		Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)
As at 06.30.2023						
In € thousands						
Central governments and central banks	-	-	-	-	-	-
Institutions	-	-	-	-	-	-
Corporates	16,439,171	-	-	-	-	-
Of which Corporates – SMEs	10,161,865	-	-	-	-	-
Of which Corporates – Specialised lending	-	-	-	-	-	-
Of which Corporates – Other	6,277,306	-	-	-	-	-
Retail	45,959,758	-	-	-	-	-
Of which Retail – Immovable property SMEs	2,790,226	-	-	-	-	-
Of which Retail – Immovable property non-SMEs	22,377,165	-	-	-	-	-
Of which Retail – Qualifying revolving	94,476	-	-	-	-	-
Of which Retail – Other SMEs	7,544,664	-	-	-	-	-
Of which Retail – Other non-SMEs	13,153,228	-	-	-	-	-
Total	62,398,929	-	-	-	-	-

A-IRB	Credit risk Mitigation techniques						Credit risk Mitigation methods in the calculation of RWEAs	
	Funded credit Protection (FCP)				Unfunded credit Protection (UFCP)		RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and substitution effects)
	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)		
As at 06.30.2023								
In € thousands								
Central governments and central banks	-	-	-	-	-	-	-	-
Institutions	-	-	-	-	-	-	-	-
Corporates	-	-	-	-	3.17%	-	8,314,319	7,989,054
Of which Corporates – SMEs	-	-	-	-	2.48%	-	4,208,830	4,067,825
Of which Corporates – Specialised lending	-	-	-	-	-	-	-	-
Of which Corporates – Other	-	-	-	-	4.30%	-	4,105,489	3,921,229
Retail	-	-	-	-	0.52%	-	4,581,356	4,519,350
Of which Retail – Immovable property SMEs	-	-	-	-	-	-	372,573	372,573
Of which Retail – Immovable property non-SMEs	-	-	-	-	-	-	1,400,948	1,400,948
Of which Retail – Qualifying revolving	-	-	-	-	-	-	15,726	15,726
Of which Retail – Other SMEs	-	-	-	-	3.18%	-	1,471,447	1,409,442
Of which Retail – Other non-SMEs	-	-	-	-	-	-	1,320,661	1,320,661
Total	-	-	-	-	1.22%	-	12,895,675	12,508,404

Internal foundation method

F-IRB	As at 06.30.2023 In € thousands	Total exposures	Credit risk Mitigation techniques				
			Funded credit Protection (FCP)				
			Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)
Central governments and central banks		-	-	-	-	-	-
Institutions		6,224,272	-	-	-	-	-
Corporates		9,832,480	-	-	-	-	-
Of which Corporates – SMEs		-	-	-	-	-	-
Of which Corporates – Specialised lending		830,936	-	-	-	-	-
Of which Corporates – Other		9,001,545	-	-	-	-	-
Total		16,056,752	-	-	-	-	-

F-IRB	As at 06.30.2023 In € thousands	Credit risk Mitigation techniques				Credit risk Mitigation methods in the calculation of RWEAs	
		Funded credit Protection (FCP)			Unfunded credit Protection (UFCP)		RWEA without substitution effects (reduction effects only)
		Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)
Central governments and central banks		-	-	-	-	-	-
Institutions		-	-	-	-	-	892,558
Corporates		-	-	-	-	2.41%	6,754,130
Of which Corporates – SMEs		-	-	-	-	-	-
Of which Corporates – Specialised lending		-	-	-	-	-	509,697
Of which Corporates – Other		-	-	-	-	2.64%	6,244,433
Total		-	-	-	-	1.48%	7,851,766

The Crédit Mutuel Arkéa group applies the advanced internal ratings-based method to most of its customer loans. As a result, collateral is mainly taken into account in the modeling of loss given default.

The Crédit Mutuel Arkéa group does not underwrite credit derivatives. Consequently, the following table is not displayed in the Group's Pillar 3 report:

- EU CR7 : IRB approach - Effect on the RWEAs of credit derivatives used as CRM techniques.

Table 31 (EU CCR5): Composition of collateral for CCR exposures

As at 06.30.2023	Collateral used in derivative transactions				Collateral used in SFTs			
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
In € thousands								
Cash – domestic currency	744,241	452,435	332,585	41,257	-	79,076	-	5,444
Cash – other currencies	-	-	-	-	-	-	-	-
Domestic sovereign debt	-	-	-	-	-	-	-	270,566
Other sovereign debt	-	-	-	-	-	67,307	-	121,307
Government agency debt	-	-	-	-	-	-	-	465,665
Corporate bonds	-	-	-	-	-	2,455,641	-	949,484
Equity securities	-	-	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-	-	-
Total	744,241	452,435	332,585	41,257	-	2,602,024	-	1,812,466

6. Securitisation

At June 30, 2023, the Crédit Mutuel Arkéa group, as an investor, held a securitization position in the Banking Book portfolio.

Table 32 (EU SEC1): Securitisation exposures in the non-trading book

As at 06.30.2023 In € thousands	Institution acts as originator					Institution acts as sponsor				Institution acts as investor			
	Traditional		Synthetic		Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
	STS	Non-STS	of which SRT	of which SRT		STS	Non-STS			STS	Non-STS		
	of which SRT	of which SRT											
Total exposures	-	-	-	-	-	-	-	-	-	13,805	-	-	-
Retail (total)	-	-	-	-	-	-	-	-	-	13,805	-	-	-
Residential mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-
Credit card	-	-	-	-	-	-	-	-	-	-	-	-	-
Other retail exposures	-	-	-	-	-	-	-	-	-	13,805	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-
Wholesale (total)	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans to corporates	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-
Lease and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-
Other wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-

Table 33 (EU SEC4): Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor

As at 06.30.2023 In € thousands	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)			
	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions
Total exposures	13,805	-	-	-	-	-	13,805	-	-
Traditional securitisation	13,805	-	-	-	-	-	13,805	-	-
Securitisation	13,805	-	-	-	-	-	13,805	-	-
Retail underlying	13,805	-	-	-	-	-	13,805	-	-
Of which STS	13,805	-	-	-	-	-	13,805	-	-
Wholesale	-	-	-	-	-	-	-	-	-
Of which STS	-	-	-	-	-	-	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-	-
Synthetic securitisation	-	-	-	-	-	-	-	-	-
Securitisation	-	-	-	-	-	-	-	-	-
Retail underlying	-	-	-	-	-	-	-	-	-
Wholesale	-	-	-	-	-	-	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-	-

As at 06.30.2023 In € thousands	RWEA (by regulatory approach)				Capital charge after cap			
	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions
Total exposures	-	2,071	-	-	-	166	-	-
Traditional securitisation	-	2,071	-	-	-	166	-	-
Securitisation	-	2,071	-	-	-	166	-	-
Retail underlying	-	2,071	-	-	-	166	-	-
Of which STS	-	2,071	-	-	-	166	-	-
Wholesale	-	-	-	-	-	-	-	-
Of which STS	-	-	-	-	-	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-
Synthetic securitisation	-	-	-	-	-	-	-	-
Securitisation	-	-	-	-	-	-	-	-
Retail underlying	-	-	-	-	-	-	-	-
Wholesale	-	-	-	-	-	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-

As Crédit Mutuel Arkéa acts as an investor, the following tables are not included in the Group's Pillar 3 report:

- EU SEC2: Securitisation exposures in the trading book;
- EU SEC3: Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor;
- EU SEC5: Exposures securitised by the institution - exposures in default and specific credit risk adjustments.

7. Market risk

The Crédit Mutuel Arkéa group calculates its market risk capital requirements using the standardized approach.

At the end of June 2023, there is no market risk as the Crédit Mutuel Arkéa group has no portfolio in the trading book. Consequently, the following table is not displayed in the Group's Pillar 3 report:

- EU MR1: Market risk under the standardised approach.

8. Interest rate risk in the banking book

Interest rate risk is then current or prospective risk, to which the bank's shareholders' capital and earnings are exposed as a result of unfavorable movements in interest rates. It can result from a difference in maturity between fixed-rate assets and liabilities, a difference in the reference index (basis risk) or the exercise of options (such as caps, floors or early repayment of loans).

Table 34 (EU IRRBB1): Interest rate risks of non-trading book activities

In € thousands			In € thousands		
Period	ΔEVE		Period	ΔNII	
	06.30.2023	12.31.2022		06.30.2023	12.31.2022
Parallel up (+200 bps)	-531,736	-425,723	Parallel up (+100 bps)	-31,327	-47,062
Parallel down (-200 bps)	274,076	321,108	Parallel down (-100 bps)	36,868	41,840
Steepener	174,420	1,307	Steepener		
Flattener	-469,683	-75,813	Flattener		
Short rate up	-600,181	-192,196	Short rate up		
Short rate down	323,285	105,771	Short rate down		
Period	06.30.2023	12.31.2022			
Tier 1 capital	8,341,574	7,507,622			

9. Liquidity risk

Liquidity risk is the risk that the reporting entity will not be able to meet its obligations or to unwind or offset a position because of its situation or the market situation within a specified period of time and at a reasonable cost. It arises from a maturity mismatch between the sources and uses of funds.

It may result in an additional financial expense in the event of an increase in liquidity spreads; in the most extreme form, it could result in the institution's inability to honor its commitments.

The Group has historically been vigilant and prudent in managing this risk.

A number of regulatory liquidity ratios are closely monitored, including:

- the LCR (Liquidity Coverage Ratio), which is provided for by the CRD 4 and CRR regulations. It measures the ratio between liquid assets and net cash outflows at 30 days under a stress scenario. The minimum required level has been 100% since 2018;
- the NSFR (Net Stable Funding Ratio), which is also a liquidity ratio provided for by the CRD 4 and CRR regulations. It verifies the coverage of stable uses by stable resources. The minimum required level has been 100% since June 2021.

Short-term liquidity ratio information

In accordance with the CRR, the Crédit Mutuel Arkéa group's Accounting Department produces, and submits monthly to the ECB, a report on its short-term liquidity coverage ratio (hereinafter "**LCR**").

The purpose of the LCR is to ensure the short-term resilience of banks in the face of severe liquidity stress. It verifies that the level of highly-liquid assets is sufficient to cover the net cash flows over the next 30 days, under stress assumptions involving, in particular, deposit flight and drawdowns of amounts under off-balance sheet agreements.

Explanations on the main drivers of LCR results, its changes over time and the evolution of the contribution of inputs to the LCR's calculation over time

The minimum required level of the LCR ratio is set at 100% in 2023. The Group met the regulatory requirement throughout the first semester of 2023, with significant room for manoeuvre. The average annual LCR from July 2022 to June 2023 was 153%. At the end of June 2023, the Group's consolidated LCR ratio was 144%, 17 points lower than at the end of March 2023.

The Crédit Mutuel Arkéa group's liquid assets totaled €19,505 million and consisted mainly of deposits at central banks. These represented 70% of liquid assets at the end of June 2023, down 22% compared with the end of March 2023.

Net cash outflows over 30 days amounted to €15,494 million, most of which corresponded to customer deposits. This represented a decrease of €1,104 million compared with the end of March 2023.

Net cash inflows over 30 days amounted to €1,927 million, most of which corresponded to customer loans and maturing debt securities. This represented an increase of €376 million compared with the end of March 2023.

Table 35 (EU LIQ1): Quantitative information on the liquidity coverage ratio (LCR)

In € thousands	Total unweighted value (average)				Total weighted value (average)			
Quarter ending on	06.30.2023	03.31.2023	12.31.2022	09.30.2022	06.30.2023	03.31.2023	12.31.2022	09.30.2022
Number of data points used in the calculation of averages : 12								
HIGH-QUALITY LIQUID ASSETS								
Total high-quality liquid assets (HQLA)					21,760,165	21,468,013	20,943,022	20,763,208
CASH - OUTFLOWS								
Retail deposits and deposits from small business customers, of which:	41,783,910	42,891,899	43,970,261	44,942,437	2,773,927	2,844,651	3,004,442	3,152,951
Stable deposits	29,841,903	31,084,110	30,203,930	29,308,266	1,492,095	1,554,206	1,510,196	1,465,413
Less stable deposits	11,405,456	11,464,852	13,523,965	15,426,894	1,267,224	1,271,800	1,477,690	1,665,341
Unsecured wholesale funding	22,571,206	22,859,017	23,297,076	23,245,061	11,297,770	11,183,008	11,179,196	10,826,224
Operational deposits (all counterparties) and deposits in networks of cooperative banks	2,067,362	2,146,673	2,290,815	2,453,207	216,409	230,029	249,093	273,721
Non-operational deposits (all counterparties)	19,869,834	20,174,284	20,480,681	20,256,748	10,447,350	10,414,918	10,404,522	10,017,397
Unsecured debt	634,010	538,060	525,581	535,106	634,010	538,060	525,581	535,106
Secured wholesale funding					86,102	71,866	28,441	28,717
Additional requirements	12,294,302	12,243,876	12,003,824	11,544,366	2,051,539	1,986,502	1,876,114	1,715,493
Outflows related to derivative exposures and other collateral requirements	372,127	328,246	273,495	205,522	372,127	328,246	273,495	205,522
Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
Credit and liquidity facilities	11,922,176	11,915,631	11,730,330	11,338,844	1,679,413	1,658,256	1,602,619	1,509,970
Other contractual funding obligations	487,616	492,149	459,179	522,641	487,616	492,149	459,179	522,641
Other contingent funding obligations	731,944	824,435	913,192	980,381	95,376	113,860	141,158	162,823
TOTAL CASH OUTFLOWS					16,792,330	16,692,036	16,688,530	16,408,849
CASH - INFLOWS								
Secured lending (e.g. reverse repos)	466,200	382,386	475,176	410,100	161,388	151,516	135,167	109,366
Inflows from fully performing exposures	1,628,349	1,760,990	1,869,958	2,056,619	1,082,157	1,237,164	1,375,292	1,577,783
Other cash inflows	1,330,109	1,281,677	1,261,366	1,143,086	1,330,109	1,281,677	1,261,366	1,143,086
(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					-	-	-	-
(Excess inflows from a related specialised credit institution)					-	-	-	-
TOTAL CASH INFLOWS	3,424,658	3,425,053	3,606,500	3,609,806	2,573,654	2,670,356	2,771,825	2,830,235
Fully exempt inflows	166,667	83,333	83,333	41,667	166,667	83,333	83,333	41,667
Inflows subject to 90% cap	-	-	-	-	-	-	-	-
Inflows subject to 75% cap	3,257,991	3,341,720	3,523,167	3,568,139	2,406,988	2,587,023	2,688,491	2,788,568
TOTAL ADJUSTED VALUE								
LIQUIDITY BUFFER					21,760,165	21,468,013	20,943,022	20,763,208
TOTAL NET CASH OUTFLOWS					14,218,676	14,021,679	13,916,705	13,578,614
LIQUIDITY COVERAGE RATIO					153%	153%	151%	153%

The Crédit Mutuel Arkéa group calculates the LCR in accordance with Implementing Regulation (EU) 2021/637.

Concentration of funding and liquidity sources

Crédit Mutuel Arkéa seeks to diversify its sources of funding and liquidity. It has therefore defined internal standards on :

- the loan-to-deposit ratio in order to check the balance of the commercial business and dependence on market refinancing;
- the level of dispersion of interbank refinancing in order to ensure control of its dependence on certain counterparties;
- refinancing volumes by maturity to avoid a concentration of the maturities of the refinancing lines.

At the same time, the Crédit Mutuel Arkéa group has developed a policy of diversifying its refinancing channels and has several types of issue vehicles, particularly in the medium to long term, with both unsecured and secured issuance programs.

The definition of the refinancing program takes into account these limits and the various possible issuance vehicles. When preparing for and carrying out issues in the markets, attention is also paid to the diversification of investors, both by type of investor (asset managers, banks, etc.) and by geographic area (France, Germany, Scandinavian countries, etc.).

Description of the composition of the institution's liquidity buffer

Available liquidity reserves are a buffer in the event of a liquidity crisis.

They consist of cash that is available immediately (net of mandatory reserves) or in the short term (less than six months) and assets eligible for Central Bank refinancing available immediately or within three weeks (valued with the discount provided by the Central Bank). The level of liquidity reserves is set monthly by the Treasury, Refinancing and Foreign Exchange department and may, if necessary, be discounted on a daily basis.

The liquidity reserves are presented monthly to the Group Operational ALM Committee in order of asset liquidity, with a comparison with past months, and quarterly to the ALM and Capital Management Committee and the Board of Directors as part of the limit monitoring process.

At June 30, 2023, liquidity reserves amounted to 31.5 billion euros and represented 39% of Crédit Mutuel Arkéa's gross deposits. Central bank deposits have decreased by 12 billion euros since December 31, 2022, mainly due to the repayment of 8.4 billion euros in TLTROs. Conversely, LCR securities and other assets eligible for the 3G pool have increased by 3.9 and 6.4 billion euros respectively. The TLTRO repayment therefore has no impact on the amount of Crédit Mutuel Arkéa's liquidity reserve.

Liquidity reserves

<i>In € billion</i>	06.30.2023	12.31.2022	Evolution
Central bank deposits	11.4	23.4	-12.0
LCR securities eligible for the 3G pool (after haircut)	6.1	2.2	3.9
Other assets eligible for the 3G pool (after haircut)	14.0	7.7	6.4
Total	31.5	33.3	-1.8

Crédit Mutuel Arkéa strives to maintain liquidity reserves of more than nearly twice the amount of the net cash outflows of the LCR. This liquidity buffer allows it to cope with extreme crisis situations at all times and reflects the Group's commitment to prudent liquidity risk management.

Exposure to derivatives and possible collateral calls

The Crédit Mutuel Arkéa group uses derivatives mainly for the purpose of managing interest rate risk. They are subject to margin calls that are generally standardized and meet the requirements of the European Market Infrastructure Regulation (EMIR).

At June 30, 2023, the net position of collateral calls was not material and had a marginal impact on cash and liquid securities management.

In addition, the calculation of the LCR includes an additional cash outflow corresponding to additional collateral requirements that would result from an adverse market scenario; the amount was valued at close to €370 million at June 30, 2023, which is not material in view of the amount of liquid assets.

Asymmetry of currencies in the LCR

The LCR is calculated in euros only, as foreign currency positions are marginal (foreign currency positions are valued in euros as they are below the 5% representativeness threshold in the total consolidated banking balance sheet). This is due to the group's business model and geographic location.

Information on net stable funding ratio

In addition to the LCR, European regulations provide for a long-term structural liquidity ratio called the "NSFR" (net stable funding ratio). The NSFR is designed to encourage credit institutions to have a permanent structure of stable resources, enabling them to continue operating over a period of one year in an environment of prolonged stress. The minimum required level of the NSFR has been 100% since June 2021 under the CRR.

The Group met the regulatory requirement throughout the first semester of 2023 with significant room for maneuver. The average NSFR from June 2022 to June 2023 was 111.83%. At the end of June 2023, the NSFR was 112%, a 2% decrease compared with December 2022.

The amount of weighted liabilities available at one year was €86,136 million, most of which corresponded to customer deposits and issues (negotiable medium-term notes, negotiable certificates of deposit, etc.). This represented an increase of €3,249 million compared with the end of December 2022.

The amount of weighted assets to be financed over one year was €7,239 million, most of which corresponded to loans to non-financial customers. This represented an increase of €4,272 million compared with the end of December 2022.

Table 36 (EU LIQ2): Net stable funding ratio (NSFR)

As at 06.30.2023 In € thousands	Unweighted value by residual maturity				Weighted value
	No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items					
Capital items and instruments	8,796,194	-	-	2,214,396	11,010,590
Own funds	8,796,194	-	-	2,214,396	11,010,590
Other capital instruments		-	-	-	-
Retail deposits		42,417,439	-	-	39,645,836
Stable deposits		29,402,825	-	-	27,932,684
Less stable deposits		13,014,614	-	-	11,713,151
Wholesale funding:		36,292,591	5,160,083	21,135,192	35,462,434
Operational deposits		2,356,445	-	-	1,178,222
Other wholesale funding		33,936,146	5,160,083	21,135,192	34,284,212
Interdependent liabilities		9,318,925	-	-	-
Other liabilities:	-	4,953,648	-	17,125	17,125
NSFR derivative liabilities	-				
All other liabilities and capital instruments not included in the above categories		4,953,648	-	17,125	17,125
Total available stable funding (ASF)					86,135,986
Required stable funding (RSF) Items					
Total high-quality liquid assets (HQLA)					1,104,551
Assets encumbered for a residual maturity of one year or more in a cover pool		572,717	545,604	12,710,030	11,754,098
Deposits held at other financial institutions for operational purposes		-	-	-	-
Performing loans and securities:		12,797,431	5,270,970	61,425,534	56,592,302
Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		67,308	-	-	-
Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		1,773,928	1,118,844	2,437,863	3,133,635
Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		9,293,710	2,889,636	43,600,706	51,829,733
With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		771,881	634,515	17,645,191	16,657,168
Performing residential mortgages, of which:		519,460	533,684	14,619,660	-
With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		169,429	172,302	6,367,100	-
Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		1,143,025	728,805	767,305	1,628,934
Interdependent assets		9,318,925	-	-	-
Other assets:		1,060,075	-	6,909,846	7,144,564
Physical traded commodities				-	-
Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		236,490	-	-	201,017
NSFR derivative assets		31,445			31,445
NSFR derivative liabilities before deduction of variation margin posted		45,128			2,256
All other assets not included in the above categories		747,012	-	6,909,846	6,909,846
Off-balance sheet items		11,960,125	111,951	39,831	643,435
Total RSF					77,238,951
Net Stable Funding Ratio (%)					112%

10. ESG Risk

ESG (environmental, social and governance) factors can have a positive or negative impact on an entity's financial performance or solvency.

From a prudential point of view, for a financial institution, ESG risks correspond to the negative materialization of ESG factors on its financial performance or solvency due to impacts on its counterparties or assets.

ESG risks are determining factors for the other existing risks to which the Crédit Mutuel Arkéa group is exposed, and of different natures, notably credit risk, operational risk and other categories of financial risk.

Crédit Mutuel Arkéa is therefore gradually integrating ESG risk factors into its overall risk management framework.

Table 37 (Template 1): Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity

Sector/subsector	Gross carrying amount					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
		Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with Article 12(1) points (d) to (g) and Article 12(2) of Regulation (EU) 2020/1818	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures
As at 06.30.2023 In € thousands								
Exposures towards sectors that highly contribute to climate change*	21,406,545	25,750		1,459,844	690,011	-526,100	-90,529	-347,297
A - Agriculture, forestry and fishing	2,404,071	-		436,003	134,172	-116,638	-31,427	-73,991
B - Mining and quarrying	28,925	3,148		4,840	385	-881	-617	-186
B.05 - Mining of coal and lignite	-	-		-	-	-	-	-
B.06 - Extraction of crude petroleum and natural gas	4,469	2,691		1,163	-	-93	-85	-
B.07 - Mining of metal ores	-	-		-	-	-	-	-
B.08 - Other mining and quarrying	22,880	-		3,677	385	-787	-532	-186
B.09 - Mining support service activities	1,576	457		-	-	-1	-	-
C - Manufacturing	1,739,575	-		106,180	139,008	-63,598	-7,295	-52,484
C.10 - Manufacture of food products	480,765	-		30,426	26,178	-15,240	-1,590	-12,400
C.11 - Manufacture of beverages	53,354	-		2,497	432	-655	-249	-143
C.12 - Manufacture of tobacco products	-	-		-	-	-	-	-
C.13 - Manufacture of textiles	6,886	-		1,225	1,108	-81	-24	-40
C.14 - Manufacture of wearing apparel	67,458	-		242	1,270	-1,097	-9	-1,049
C.15 - Manufacture of leather and related products	1,539	-		44	84	-76	-6	-63
C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	26,739	-		4,496	2,431	-1,805	-194	-1,463
C.17 - Manufacture of paper and paper products	18,763	-		1,800	639	-646	-148	-490
C.18 - Printing and reproduction of recorded media	20,333	-		2,533	784	-594	-86	-472
C.19 - Manufacture of coke and refined petroleum products	-	-		-	-	-	-	-
C.20 - Manufacture of chemicals and chemical products	37,746	-		6,622	834	-1,471	-878	-507
C.21 - Manufacture of basic pharmaceutical products and pharmaceutical preparations	26,653	-		8,334	2	-2,019	-1,902	-
C.22 - Manufacture of rubber products	99,447	-		2,368	1,641	-792	-77	-494
C.23 - Manufacture of other non-metallic mineral products	141,061	-		649	183	-384	-30	-150
C.24 - Manufacture of basic metals	13,269	-		1,436	3,736	-477	-58	-355
C.25 - Manufacture of fabricated metal products, except machinery and equipment	280,280	-		6,783	35,237	-6,553	-237	-5,960
C.26 - Manufacture of computer, electronic and optical products	34,913	-		4,695	347	-270	-72	-137
C.27 - Manufacture of electrical equipment	16,328	-		1,768	3,023	-602	-50	-468
C.28 - Manufacture of machinery and equipment n.e.c.	207,163	-		18,733	24,602	-24,167	-1,235	-22,548
C.29 - Manufacture of motor vehicles, trailers and semi-trailers	28,849	-		1,033	121	-160	-37	-30
C.30 - Manufacture of other transport equipment	84,677	-		3,191	33,372	-4,452	-160	-4,098
C.31 - Manufacture of furniture	12,989	-		1,100	965	-722	-61	-593
C.32 - Other manufacturing	36,068	-		989	396	-349	-62	-247
C.33 - Repair and installation of machinery and equipment	44,295	-		5,216	1,623	-986	-130	-777
D - Electricity, gas, steam and air conditioning supply	516,237	21,827		25,145	13,407	-17,509	-3,091	-12,257
D35.1 - Electric power generation, transmission and distribution	417,503	6,512		17,880	13,407	-16,441	-2,744	-12,257
D35.11 - Production of electricity	409,906	6,511		17,880	13,407	-14,400	-2,744	-10,649
D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	69,305	5,096		5,110	-	-800	-304	-
D35.3 - Steam and air conditioning supply	29,429	10,219		2,155	-	-268	-43	-
E - Water supply, sewerage, waste management and remediation activities	278,459	-		4,693	4,327	-3,672	-346	-2,845
F - Construction	1,634,981	-		91,576	55,556	-47,005	-4,520	-32,580
F.41 - Construction of buildings	970,113	-		48,108	24,456	-26,503	-2,958	-18,195
F.42 - Civil engineering	337,535	-		3,358	2,281	-3,496	-104	-727
F.43 - Specialised construction activities	327,333	-		40,110	28,819	-17,006	-1,458	-13,658
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	2,841,800	775		224,458	130,598	-96,504	-10,615	-74,758
H - Transportation and storage	771,120	-		56,556	24,999	-10,461	-2,799	-5,804
H.49 - Land transport and transport via pipelines	251,651	-		36,920	6,365	-5,367	-2,143	-2,878
H.50 - Water transport	38,064	-		6,572	17,075	-2,758	-258	-2,119
H.51 - Air transport	8,035	-		6,116	1	-120	-109	-1
H.52 - Warehousing and support activities for transportation	472,875	-		6,933	1,218	-1,939	-289	-576
H.53 - Postal and courier activities	495	-		15	340	-277	-	-230
I - Accommodation and food service activities	664,224	-		66,278	65,864	-40,254	-3,895	-33,531
L - Real estate activities	10,527,153	-		444,115	121,695	-129,578	-25,924	-58,861
Exposures towards sectors other than those that highly contribute to climate change*	8,687,182	946		713,080	241,524	-202,039	-56,946	-105,136
K - Financial and insurance activities	2,630,660	-		317,722	50,007	-57,658	-22,297	-22,886
Exposures to other sectors (NACE codes J, M - U)	6,056,522	946		395,358	191,517	-144,381	-34,649	-82,250
TOTAL	30,093,727	26,696		2,172,924	931,535	-728,139	-147,475	-452,433

Sector/subsector	GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
		Of which Scope 3 financed emissions						
As at 06.30.2023 In € thousands								
Exposures towards sectors that highly contribute to climate change*				8,388,508	4,410,395	6,131,471	2,476,171	9
A - Agriculture, forestry and fishing				878,585	906,092	613,199	6,195	8
B - Mining and quarrying				16,478	9,974	2,473	-	6
B.05 - Mining of coal and lignite				-	-	-	-	-
B.06 - Extraction of crude petroleum and natural gas				2,691	1,778	-	-	4
B.07 - Mining of metal ores				-	-	-	-	-
B.08 - Other mining and quarrying				12,238	8,169	2,473	-	6
B.09 - Mining support service activities				1,549	27	-	-	2
C - Manufacturing				1,105,868	306,672	39,559	287,476	5
C.10 - Manufacture of food products				340,233	111,236	14,263	15,033	4
C.11 - Manufacture of beverages				31,151	16,590	5,613	-	5
C.12 - Manufacture of tobacco products				-	-	-	-	-
C.13 - Manufacture of textiles				4,898	1,300	688	-	4
C.14 - Manufacture of wearing apparel				10,877	23,680	21	32,880	8
C.15 - Manufacture of leather and related products				242	65	1,231	1	10
C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials				21,863	4,829	47	-	4
C.17 - Manufacture of paper and paper products				13,784	794	3	4,182	4
C.18 - Printing and reproduction of recorded media				17,778	2,432	122	1	4
C.19 - Manufacture of coke and refined petroleum products				-	-	-	-	-
C.20 - Manufacture of chemicals and chemical products				19,032	10,068	8	8,638	6
C.21 - Manufacture of basic pharmaceutical products and pharmaceutical preparations				26,404	1	248	-	3
C.22 - Manufacture of rubber products				81,399	12,787	5,261	-	4
C.23 - Manufacture of other non-metallic mineral products				108,768	21,299	34	10,960	3
C.24 - Manufacture of basic metals				11,067	2,031	171	-	4
C.25 - Manufacture of fabricated metal products, except machinery and equipment				82,339	63,683	4,114	130,144	7
C.26 - Manufacture of computer, electronic and optical products				19,753	4,071	5,866	5,223	6
C.27 - Manufacture of electrical equipment				13,540	1,208	2	1,578	4
C.28 - Manufacture of machinery and equipment n.e.c.				175,336	14,508	865	16,454	3
C.29 - Manufacture of motor vehicles, trailers and semi-trailers				25,811	649	7	2,382	4
C.30 - Manufacture of other transport equipment				41,798	5,153	18	37,708	7
C.31 - Manufacture of furniture				8,467	1,785	465	2,272	5
C.32 - Other manufacturing				15,457	2,466	113	18,032	6
C.33 - Repair and installation of machinery and equipment				35,871	6,037	399	1,988	4
D - Electricity, gas, steam and air conditioning supply				71,455	94,962	211,685	138,135	14
D35.1 - Electric power generation, transmission and distribution				59,298	61,352	164,784	132,069	14
D35.11 - Production of electricity				59,261	61,233	157,343	132,069	14
D35.2 - Manufacture of gas; distribution of gaseous fuels through mains				5,929	29,194	34,182	-	10
D35.3 - Steam and air conditioning supply				6,228	4,416	12,719	6,066	14
E - Water supply; sewerage, waste management and remediation activities				68,130	24,520	42,834	142,975	9
F - Construction				1,313,402	164,022	113,884	43,673	4
F.41 - Construction of buildings				786,280	53,374	87,465	42,994	4
F.42 - Civil engineering				263,548	55,504	17,820	663	4
F.43 - Specialised construction activities				263,574	55,144	8,599	16	4
G - Wholesale and retail trade; repair of motor vehicles and motorcycles				1,934,144	637,679	216,932	53,045	5
H - Transportation and storage				360,603	314,870	84,044	11,603	6
H.49 - Land transport and transport via pipelines				194,235	54,472	2,890	54	5
H.50 - Water transport				13,673	22,664	1,718	9	6
H.51 - Air transport				8,028	-	6	1	4
H.52 - Warehousing and support activities for transportation				144,172	237,734	79,430	11,539	6
H.53 - Postal and courier activities				495	-	-	-	3
I - Accommodation and food service activities				289,586	210,311	163,685	642	7
L - Real estate activities				2,350,257	1,741,293	4,643,176	1,792,427	12
Exposures towards sectors other than those that highly contribute to climate change*				5,388,800	1,835,217	925,601	537,564	6
K - Financial and insurance activities				1,483,553	795,795	168,691	182,621	5
Exposures to other sectors (NACE codes J, M - U)				3,905,247	1,039,422	756,910	354,943	6
TOTAL				13,777,308	6,245,612	7,057,072	3,013,735	8

* In accordance with Commission Delegated Regulation (EU) 2020/1818 supplementing Regulation (EU) 2016/1011 as regards minimum standards for EU climate transition benchmarks and EU Paris-aligned benchmarks - Regulation on Climate Benchmarks - Recital 6: Sectors listed in Sections A to H and Section L of Annex I of Regulation (EC) No 1893/2006

To identify companies excluded from the Paris-aligned Benchmarks (PAB), the Crédit Mutuel Arkéa group has chosen to rely on data provided by the Urgewald NGO, which draws up and maintains two separate lists:

- the Global Coal Exit List (GCEL)
- the Global Oil & Gas Exit List (GOGEL)

Crédit Mutuel Arkéa refers to these lists to identify companies that are excluded from the "Paris Agreement" benchmarks and generate part of their revenue from coal (GCEL) and oil and gas (GOGEL) activities.

For companies that derive at least 50% of their revenue from electricity production activities with a greenhouse gas emission intensity of more than 100g CO₂e/kWh, exposures associated with NACE code D35.11 "Electricity production" have been analyzed to determine the source of energy produced. Companies producing electricity from carbon sources (other than renewable energies or nuclear energy) are considered excluded from the "Paris Agreement" benchmarks.

According to this methodology, at June 30, 2023, the Crédit Mutuel Arkéa group's total exposure to companies excluded from the PAB indices amounts to €26.7 million, of which €22.8 million (85%) concerns financing dedicated to the energy transition.

In accordance with Implementing Regulation (EU) 2022/2453, exposures that qualify as environmentally sustainable have not been reported. This information, based on the European green taxonomy, will be included starting with the Pillar 3 report on December 31, 2023.

The Crédit Mutuel Arkéa group is currently estimating its counterparties' greenhouse gas emissions (scopes 1 to 3). Plans to collect this data are underway at the institution and various estimation methodologies (internal methodology or use of a specialized external service provider) are being reviewed. In accordance with regulatory requirements, the Crédit Mutuel Arkéa group will begin to disclose this information by no later than June 30, 2024.

Table 38 (Template 2): Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral

Counterparty sector
As at 06.30.2023
In € thousands

Counterparty sector As at 06.30.2023 In € thousands	Total gross carrying amount amount						
	Level of energy efficiency (EP score in kWh/m² of collateral)						
	0; <= 100	> 100; <= 200	> 200; <= 300	> 300; <= 400	> 400; <= 500	> 500	
Total EU area	42,350,626	4,537,424	14,822,655	16,800,452	3,978,782	810,641	1,400,672
Of which Loans collateralised by commercial immovable property	3,063,857	621,365	887,608	561,355	553,859	221,724	217,946
Of which Loans collateralised by residential immovable property	39,285,535	3,915,809	13,934,689	16,238,871	3,424,700	588,828	1,182,638
Of which Collateral obtained by taking possession: residential and commercial immovable properties	1,234	250	358	226	223	89	88
Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	29,497,427	3,233,770	10,271,023	11,547,005	2,835,315	607,416	1,002,898
Total non-EU area	-	-	-	-	-	-	-
Of which Loans collateralised by commercial immovable property	-	-	-	-	-	-	-
Of which Loans collateralised by residential immovable property	-	-	-	-	-	-	-
Of which Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-
Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	-	-	-	-	-	-	-

Counterparty sector
As at 06.30.2023
In € thousands

Counterparty sector As at 06.30.2023 In € thousands	Total gross carrying amount amount							Without EPC label of collateral	
	Level of energy efficiency (EPC label of collateral)								Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated
	A	B	C	D	E	F	G		
Total EU area	502,893	627,210	2,707,167	5,105,177	2,494,096	933,181	483,736	29,497,166	100%
Of which Loans collateralised by commercial immovable property	16,749	20,884	69,688	56,269	35,047	27,270	20,858	2,817,092	100%
Of which Loans collateralised by residential immovable property	486,144	606,326	2,637,479	5,048,908	2,459,049	905,911	462,878	26,678,840	100%
Of which Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	1,234	100%
Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated								-	-
Total non-EU area	-	-	-	-	-	-	-	-	-
Of which Loans collateralised by commercial immovable property	-	-	-	-	-	-	-	-	-
Of which Loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-
Of which Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-
Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated								-	-

Crédit Mutuel Arkéa has collected data on Energy performance certificates (EPC) in its information system. Efforts have been made to supplement this data using the ADEME database, which includes EPCs carried out by diagnostics companies in France. All the EPCs available to Crédit Mutuel Arkéa (collected in the information system and through a reconciliation with the ADEME database) have been considered in this template (including EPCs older than 10 years).

For exposures for which we only have the EPC label, a correspondence scale (table below) has been created to determine the associated energy consumption level (in kWh/m²).

	EPC label	Previous EPC	New EPC
		For EPCs prior to July, 1st 2021	For EPCs after July, 1st 2021
Average level of energy efficiency (EP score in kWh/m ² of collateral)	A	25	35
	B	70,5	90,5
	C	120,5	145,5
	D	190,5	215,5
	E	280,5	290,5
	F	390,5	375,5
	G	550	550

For exposures for which Crédit Mutuel Arkéa has no EPC data, calculations are made to estimate the energy consumption level (in kWh/m²). These calculations are based on a simple extrapolation to apply the breakdown obtained for exposures with EPC data to exposures with no EPC data, distinguishing between residential and commercial.

Table 39 (Template 4): Climate change transition risk: Exposures to top 20 carbon-intensive firms

As at 06.30.2023

In € thousands

Gross carrying amount (aggregate)	Gross carrying amount towards the counterparties compared to total gross carrying amount (aggregate) (*)	Of which environmentally sustainable (CCM)	Weighted average maturity	Number of top 20 polluting firms included
5,686	0.005%	4910	7	1

(*) For counterparties among the top 20 carbon emitting companies in the world

To identify the top 20 carbon-intensive firms worldwide, the Crédit Mutuel Arkéa group refers to the [Carbon Majors](#) list prepared by the Climate Accountability Institute, published in 2020 and based on 2018 data (latest available data). This public list includes the scopes 1, 2 and 3 emissions estimated by this initiative.

On the basis of this list, at June 30, 2023, one firm is identified in Crédit Mutuel Arkéa's banking book, for a total amount of 5.69 million euros, representing 0.005% of the assets covered by the analysis. 86% of this amount (i.e. 4.91 million euros) concerns financing considered environmentally sustainable (financing dedicated to the energy transition and renewable energies).

The column "Of which environmentally sustainable" has been filled in voluntarily at 06.30.2023 on the basis of the known activity of the companies and the purpose of the financing. It is therefore not currently based on an analysis of the technical criteria of the European taxonomy, but is intended to comply with them as of 12.31.2023, in accordance with Implementing Regulation (EU) 2022/2453.

Table 40 (Template 5): Climate change physical risk: Exposures subject to physical risk

As at 06.30.2023 In € thousands	Gross carrying amount						
	of which exposures sensitive to impact from climate change physical events						
	Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	
<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity			
Variable: Geographical area subject to climate change physical risk - acute and chronic events							
A - Agriculture, forestry and fishing	2,404,071	1,895	1,112	2,879	-	9	38
B - Mining and quarrying	28,925	508	-	-	-	3	508
C - Manufacturing	1,739,575	24,266	7,209	202	-	4	18,007
D - Electricity, gas, steam and air conditioning supply	516,237	1,502	3,116	2,861	10,261	16	5,070
E - Water supply, sewerage, waste management and remediation activities	278,459	5,221	-	-	-	4	4,717
F - Construction	1,634,981	92,484	8,915	266	97	2	32,806
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	2,841,800	61,110	16,582	3,823	-	4	23,490
H - Transportation and storage	771,120	2,803	3,018	16,210	-	15	2,656
L - Real estate activities	10,527,153	100,618	70,326	135,054	64,592	12	204,414
Loans collateralised by residential immovable property	39,285,535	72,597	269,642	1,015,988	846,277	17	487,023
Loans collateralised by commercial immovable property	3,063,857	7,286	14,230	41,281	282	11	29,266
Reposessed collaterals	1,234	42	-	-	-	-	42
Other relevant sectors (breakdown below where relevant)	-	-	-	-	-	-	-

		Gross carrying amount						
		of which exposures sensitive to impact from climate change physical events						
As at 06.30.2023 In € thousands Variable: Geographical area subject to climate change physical risk - acute and chronic events		of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
							of which Stage 2 exposures	Of which non-performing exposures
A - Agriculture, forestry and fishing		5,848	-	1,105	138	-148	-45	-61
B - Mining and quarrying			-			-1		
C - Manufacturing		13,670	-	3,766	4,758	-2,825	-76	-2,640
D - Electricity, gas, steam and air conditioning supply		12,669	-	540	1	-105	-55	-1
E - Water supply; sewerage, waste management and remediation activities		504	-	-	-	-12	-	-
F - Construction		68,957	-	2,468	8,631	-6,844	-44	-6,070
G - Wholesale and retail trade; repair of motor vehicles and motorcycles		58,025	-	8,138	7,691	-4,728	-530	-3,892
H - Transportation and storage		19,375	-	527	78	-128	-21	-39
L - Real estate activities		166,184	-	8,068	1,110	-2,408	-598	-313
Loans collateralised by residential immovable property		1,717,481	-	91,920	14,853	-3,506	-1,341	-233
Loans collateralised by commercial immovable property		33,813	-	2,326	1,438	-	-	-
Reposessed collaterals		-	-	-	-	-3	-	-3
Other relevant sectors (breakdown below where relevant)		-	-	-	-	-	-	-

To measure its exposures sensitive to acute and chronic physical risks, the Crédit Mutuel Arkéa group has developed an internal tool for the assessment and geographic measurement of physical climate risks at the municipality level (granularity: postal code) for mainland France.

Known as PRISM (Physical Risk Internal Scoring Model), the tool currently covers six climate-related hazards based on scientific databases for identifying national (Géorisques, DRIAS) and international (PREPdata) climate risks and projections :

The climate-related hazards considered in the assessment of acute risks are :

- floods
- droughts
- storms, hail and snow.

The climate-related hazards considered in the assessment of chronic risks are:

- rising air temperatures
- changing precipitation patterns
- sea level rise.

For each hazard, a five-level risk scale was applied, ranging from 0 (very low risk) to 4 (very high risk).

A score is determined for acute risks by giving the hazards an equal weighting and, for chronic risks, by reducing the weighting of the "sea level rise" hazard due to its lower granularity and by eliminating it for non-coastal municipalities.

Exposures considered sensitive to acute and chronic physical risks and presented in this template are those located in French municipalities assessed as very high risk (level 4 = very high risk).

For exposures outside mainland France, the Crédit Mutuel Arkéa group applies a level of country granularity, based on the ND-Gain Country Index, using a five-level risk scale.

As exposures outside mainland France are insignificant, accounting for less than 3% of Crédit Mutuel Arkéa's outstandings, the decision was made to disclose the data on an aggregate basis, without distinguishing between the various geographic regions.

Table 41 (Template 10): Other climate change mitigating actions that are not covered in the EU Taxonomy

As at 06.30.2023 In € thousands	Type of counterparty	Gross carrying amount	Type of risk mitigated (Climate change transition risk)	Type of risk mitigated (Climate change physical risk)	Qualitative information on the nature of the mitigating actions
Type of financial instrument					
Bonds (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	480,130	YES	NO	See Notes : n°1 and n°2
	Non-financial corporations	80,457	YES	NO	
	Of which Loans collateralised by	-	-	-	
	Other counterparties	167,700	YES	YES	
Loans (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	25,939	YES	NO	See Notes : n°3 and n°4
	Non-financial corporations	663,151	YES	NO	
	Of which Loans collateralised by	21,729	YES	NO	
	Households	-	-	-	
	Of which Loans collateralised by	-	-	-	
	Of which building renovation loans	-	-	-	
	Other counterparties	299,811	YES	NO	

In this template, the Crédit Mutuel Arkéa group documents bond subscriptions (notes 1 and 2) and loans offered to customers (notes 3 and 4) that are not covered by Regulation (EU) 2020/852: European taxonomy, at June 30, 2023.

BONDS

Green and sustainable bonds help to finance the green transition and are therefore a means of mitigating transition risk associated with climate change.

Some bonds include actions to mitigate physical risks (for example, in the green buildings category with an analysis of vulnerability to physical risks and adaptation of buildings to climate-related hazards).

Note 1: Green bonds:

The Crédit Mutuel Arkéa group subscribes to green bonds. These bonds are issued by financial companies, non-financial companies and sovereign entities. The principles of the ICMA (International Capital Market Association) establish a voluntary framework for best practices in terms of transparency of disclosures regarding green bonds: "The Green Bond Principles". The ICMA framework allows investors to decide whether a bond is green. The eligibility of debt securities for Regulation (EU) 2020/852 is documented by the issuer.

As of June 30, 2023, the issuers of these securities had not documented the eligibility of their issues for the European Taxonomy Regulation.

Note 2: Sustainable bonds:

The Crédit Mutuel Arkéa group subscribes to sustainable bonds. These bonds are issued by sovereign entities. The principles of the ICMA (International Capital Market Association) establish a voluntary framework for best practices in terms of transparency of disclosures regarding sustainable bonds: "Sustainability Bond Guidelines". The ICMA framework allows investors to decide whether a bond is sustainable.

Assets for which the counterparty is a sovereign entity are not eligible for Regulation (EU) 2020/852.

LOANS

Note 3: DTE loans:

Through the Environmental Transition Department (DTE) of its subsidiary Arkéa Banque E&I, the Crédit Mutuel Arkéa finances companies and institutions. These operations finance renewable energy, energy renovation of buildings and energy efficiency projects. The main objective is to reduce greenhouse gases, thereby contributing to climate change mitigation.

The DTE loans shown in this template are not covered by Regulation (EU) 2020/852 as they involve counterparties not subject to the disclosure obligations of Directive 2014/95/EU – Non-Financial Reporting Directive (NFRD).

Note 4: PACT loans:

Through its subsidiary Arkéa Banque E&I, the Crédit Mutuel Arkéa group offers PACT loans to SMEs, mid-caps, institutions and real estate professionals. This loan is non-specific financing that encourages companies to begin or accelerate their societal and environmental transformation over five to 15 years. The PACT loan offers better financial terms annually for borrowers that improve their Environmental, Social and Governance (ESG) rating. The environmental component includes indicators to monitor climate change mitigation, such as the counterparty's greenhouse gas emissions, which help to mitigate transition risk.

The PACT loans shown in this template are not covered by Regulation (EU) 2020/852 as they involve counterparties not subject to the disclosure obligations of Directive 2014/95/EU – Non-Financial Reporting Directive (NFRD).

11. Appendices

11.1. Declaration of the responsible person

The information considered as proprietary is: the number of obligors broken-down by exposure class and PD range (article 452 g).

Decisions not to publish this information are taken in agreement with the Crédit Mutuel Arkéa group's management bodies.

Person responsible for the information contained in this document

Anne Le Goff, Associate Chief Executive Officer of Crédit Mutuel Arkéa

Declaration of the responsible person

I certify that the information contained in the Pillar 3 Report as of June 30, 2023 disclosing the information published under Part Eight of EU Regulation No. 575/2013 "CRR", as amended by the EU Regulation No. 2019/876 "CRR2", is, to the best of my knowledge, in accordance with the formal policies and internal processes, systems and controls.

Done at Le Relecq Kerhuon, September 13, 2023.

Anne Le Goff, Associate Chief Executive Officer of Crédit Mutuel Arkéa

11.2. List of tables

Table number	Regulatory code	Title	Report page number
Capital			
Table 1	EU CC1	Composition of regulatory own funds	2-5
Table 2	EU CC2	Reconciliation of regulatory own funds to balance sheet in the audited financial statements	6
Table 3	EU OV1	Overview of risk weighted exposure amounts	7
Key metrics			
Table 4	EU KM1	Key metrics	8
Table 5	EU CCyB1	Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer	9-10
Table 6	EU CCyB2	Amount of institution-specific countercyclical capital buffer	10
Table 7	EU LR1 - LRSum	Summary reconciliation of accounting assets and leverage ratio exposures	11
Table 8	EU LR2 - LRCom	Leverage ratio common disclosure	12-13
Table 9	EU LR3 - LRSpl	Split-up of on balance sheet exposures (excluding derivatives, securities financing transactions and exempted exposures)	14
Credit risk			
Table 10	EU CR1-A	Maturity of exposures	15
Table 11	EU CQ1	Credit quality of forborne exposures	16
Table 12	EU CQ4	Quality of non-performing exposures by geography	17
Table 13	EU CQ5	Credit quality of loans and advances to non-financial corporations by industry	18
Table 14	EU CQ7	Collateral obtained by taking possession and execution processes	18
Table 15	EU CR1	Performing and non-performing exposures and related provisions	19-20
Table 16	EU CR2	Changes in the stock of non-performing loans and advances	20
Table 17	EU CR5	Standardised approach	21-22
Table 18	EU CR6	IRB approach – Credit risk exposures by exposure class and PD range	23-27
Table 19	EU CR8	RWEA flow statements of credit risk exposures under the IRB approach	28
Table 20	EU CR10.1	Specialised lending - Project finance (Slotting approach)	29
Table 21	EU CR10.2	Specialised lending - Income-producing real estate and high volatility commercial real estate (Slotting approach)	29
Table 22	EU CR10.5	Equity exposures under the simple risk-weighted approach	30
Counterparty credit risk			
Table 23	EU CCR1	Analysis of CCR exposure by approach	31
Table 24	EU CCR2	Transactions subject to own funds requirements for CVA risk	32
Table 25	EU CCR3	Standardised approach - CCR exposures by regulatory exposure class and risk weights	32
Table 26	EU CCR4	IRB approach - CCR exposures by exposure class and PD scale	33-35
Table 27	EU CCR8	Exposures to CCPs	36
Credit risk mitigation techniques			
Table 28	EU CR3	CRM techniques overview - Disclosure of the use of credit risk mitigation techniques	37
Table 29	EU CR4	Standardised approach - Credit risk exposure and CRM effects	37
Table 30	EU CR7-A	IRB approach - Disclosure of the extent of the use of CRM techniques	38-39
Table 31	EU CCR5	Composition of collateral for CCR exposures	40
Securitisation			
Table 32	EU SEC1	Securitisation exposures in the non-trading book	41
Table 33	EU SEC4	Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as	41
Banking book interest rate risk			
Table 34	EU IRRBB1	Interest rate risks of non-trading book activities	44
Liquidity risk			
Table 35	EU LIQ1	Quantitative information of LCR	46
Table 36	EU LIQ2	Net Stable Funding Ratio	49
ESG risk			
Table 37	Template 1	Banking book- Indicators of potential climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	51-52
Table 38	Template 2	Banking book - Indicators of potential climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral	54
Table 39	Template 4	Banking book - Indicators of potential climate change transition risk: Exposures to top 20 carbon-intensive firms	55
Table 40	Template 5	Banking book - Indicators of potential climate change physical risk: Exposures subject to physical risk	56
Table 41	Template 10	Other climate change mitigating actions that are not covered in Regulation (EU) 2020/852	58

11.3. Pillar 3 cross-reference table

CRR article	Subject	Pillar 3 report reference	Page
437	Own funds	Capital	1
438	Own funds requirements and risk-weighted exposure amounts	Capital - capital requirements	7
439	Exposures to counterparty credit risk	Counterparty credit risk	31
440	Countercyclical capital buffers	Prudential indicators - key metrics	9
442	Exposures to credit risk and dilution risk	Credit risk	15
444	Use of the Standardised Approach	Credit risk - standardized approach	21
445	Exposure to market risk	Market risk	43
447	Key metrics	Prudential indicators - key metrics	8
448	Disclosure of exposures to interest rate risk on positions not held in the trading book	Banking book interest rate risk	44
449	Disclosure of exposures to securitisation positions	Securitization	41
449 bis	Environmental, social and governance risks (ESG risks)	ESG Risk	50
451	Leverage ratio	Prudential indicators - leverage ratio	10
451 bis	Liquidity requirements	Liquidity risk	45
452	Use of the IRB Approach to credit risk	Credit risk - internal ratings-based approach	22
453	Use of credit risk mitigation techniques	Credit risk mitigation techniques	37
455	Use of internal market risk models	Market risk	43