

Ginkgo Sales Finance 2024

Due Diligence – October 11th, 2024



PERSONAL FINANCE
& MOBILITY

Summary

01. Overview of CA Personal Finance & Mobility

02. Distribution Channels and products

03. Underwriting process

04. Collection and overindebtedness process / litigation process

05. Risk and Permanent Control

06. Internal Audit

07. CAPFM IT System

08. Environmental, Social & Governance

1. Overview of CA Personal Finance & Mobility

CAPFM Group

Highlights

“Personal Finance & Mobility” arm of Crédit Agricole Group

- Wholly-owned by Crédit Agricole S.A.
- Specialised lender set up in 1951 and acquired by Crédit Agricole in 1999.
- Rated A+ / F1 / Stable by Fitch and A+ / A-1 / Stable by S&P¹
- Regulated as a credit institution by *Banque de France*.
- Comprehensive range of financial products (including sales finance, personal loans, revolving credit, debt consolidation and leasing packages) and associated insurance and services to consumers.

Multi-channel distribution

- Point-of-sale credit offers through car dealers, household equipment retailers.
- Direct sales through branches, call centers and internet.
- Partnerships with car manufacturers, large retailers, insurance companies and banks.
- For some partnerships, CAPFM only acts as service provider (Crédit Agricole regional banks, LCL, CA Italia and Crédit du Maroc).

Strong international presence

- **65%** of all originations outside of France in H1 2024.
- Operating in **22** countries including France in H1 2024.
- Major international player for car financing: CAPFM has partnerships with leading car makers Guangzhou Automobile Co Ltd.

CAPFM Group

History

- **1951:** Establishment of Sofinco.
- **1999:** Acquisition of Sofinco by Crédit Agricole S.A. – Inception of Sofinco Auto Moto Loisirs (car financing).
- **2007:** Establishment of FGA Capital: JV between Sofinco (50%) and Fiat Group (50%).
- **2010:** Establishment of CA Consumer Finance (CACF) through merger of Sofinco and Finaref – Inception of a subsidiary in China.
- **2011:** Crédit Agricole S.A. decided in December a deleveraging plan impacting CACF (“Adaptation Plan”).
- **2012:** Diversification of funding sources (June 2011, December 2012), new medium long term funding transaction amount: 7.0€ bn (new strategic approach of CACF).
- **2019:** Renewal of FCA Bank joint-venture until December 2024.
- **2021 :** Viaxel is rebranded as Sofinco Auto Moto Loisirs.
- **2022:** Signature with Stellantis of framework agreements redefining and reinforcing the partnership.
- **2022:** Creation of a leasing joint-venture with CAL&F : CA Mobility.
- **2023 :** New leasing joint-venture with Stellantis (Leasys) and 100% takeover of FCA Bank (which becomes CA Auto Bank).
- **2023 :** Acquisition of ALD and LeasePlan’s activities in six European countries together with its partner Stellantis.
- **2024 :** JV with Opteven (warranty and automotive maintenance contracts) & acquisition of Pledg (Split Payments)
- **2024 :** « Crédit Agricole Consumer Finance » changed its commercial name for « Crédit Agricole Personal Finance & Mobility ».

CAPFM Group

International Presence

2 auto-joint-ventures

LEASYS

50% CAPFM / 50% Stellantis
11 countries in Europe
8.9bn€



50% CAPFM / 50% Guangzhou Automobile
Group Co. Ltd
7.8bn€ in China

22 countries

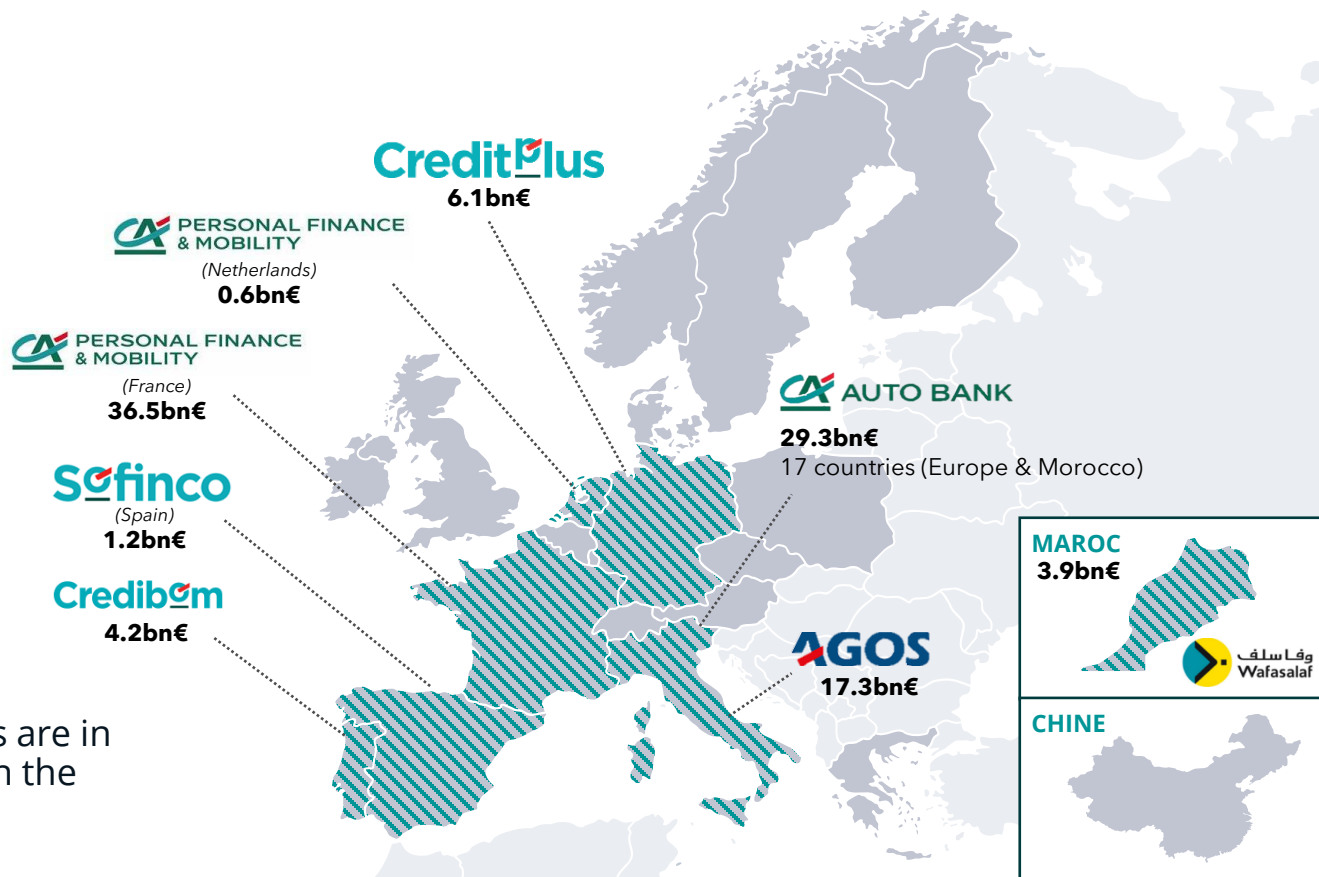
32% of managed outstandings are in France, 15% in Italy and 53% in the remaining countries.



Direct presence



Presence via a joint-venture



CAPFM Group

Key group figures 2020 – H1 2024 (1/3)

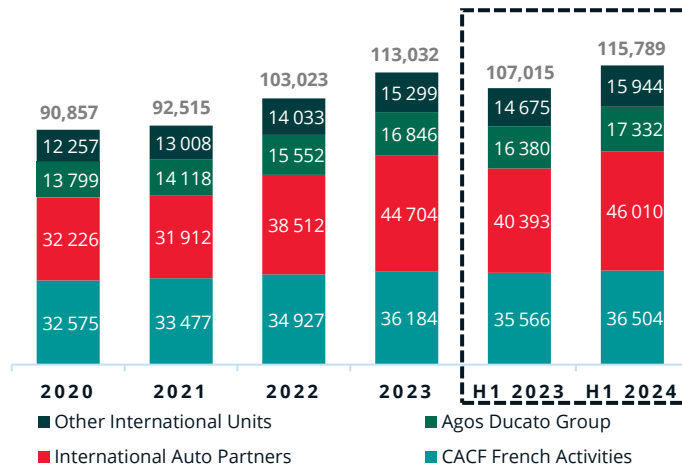
	2020	2021	2022	2023	H1 2023	H1 2024
Net Banking Income (bn€)	2.0	2.1	2.1	2.6	1.2	1.4
Net Income Group Share (m€)	517	607	612	519	229	242
Return on Normalised Equity	13.5%	16.8%	16.0%	10.1%	10.0%	8.1%

- In 2023, the **Net Banking Income** (NBI) increased by **24%** compared to 2022 from **2.1bn€** to **2.6bn€**.
- In 2024's first semester, the NBI increased by **16.7%** up to **1.4bn€** compared to H1 2023 (1.2bn€). Moreover, the **Net Income Group Share** increased by **5.7%** between H1 2023 (229m€) and H1 2024, up to **242m€**.
- Finally, the **Return on Normalised Equity** is decreasing continuously since 2021. It drops from **10.0%** in H1 2023 to **8.1%** in H1 2024.

CAPFM Group

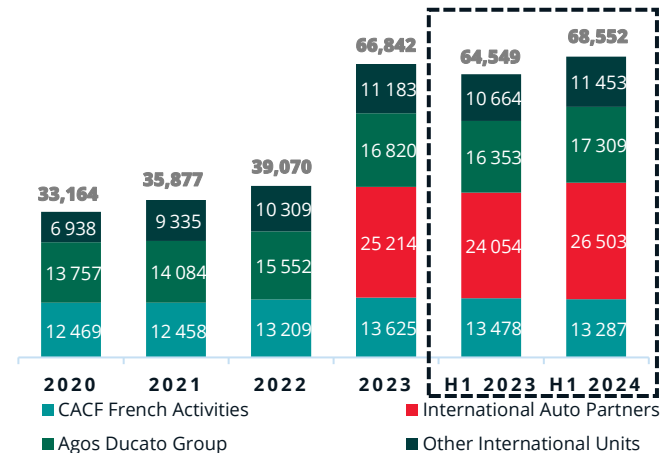
Key group figures 2020 - H1 2024 (2/3)

Managed Outstandings (in m€)



- CAPFM Group managed outstandings reached **115.8bn€** at end-June 2024, increasing of **8.2%** in comparison to end-June 2023 (107.0bn€).
- This massive raise of the managed outstanding is due to an increase of **5.6bn€** for International Auto partners (Mainly CA Auto Bank & Leasys) up to **46.0bn€** in H1 2024 compared to **40.4bn€** in H1 2023 (+13.9%).

Consolidated Outstandings (in m€)

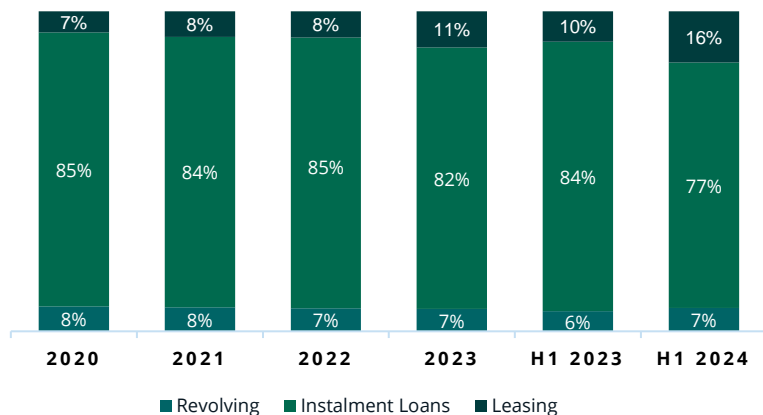


- There is an important increase of the consolidated outstandings between 2022 and 2023 from **39.1bn€** to **66.8bn€** due to CA Auto Bank consolidation in CAPFM outstandings.
- In H1 2024, there is an increase of **4.0bn€** compared to H1 2023's figure. This raise is explained by an increase of the consolidated outstandings for International Auto partners (CA Auto Bank) by **10.2%** up to **26.5bn€**.

CAPFM Group

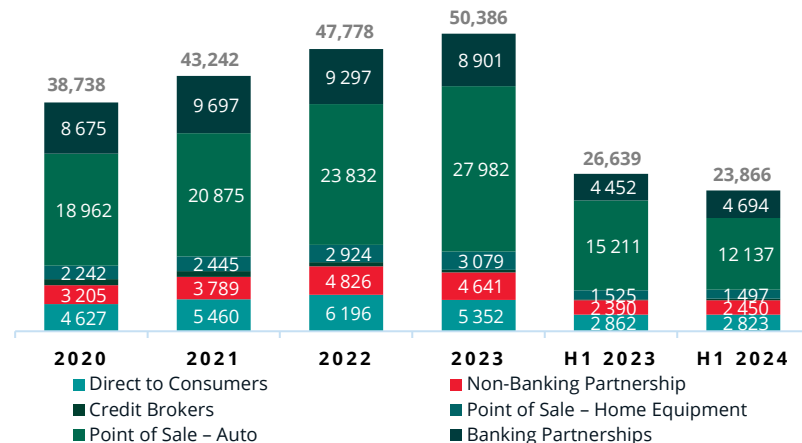
Key group figures 2020 – H1 2024 (3/3)

New production by product type (in %)



- Leasing production is growing – from **10%** in H1 2023 to **16%** in H1 2024 – in the production mix at the expense of instalment loans which are decreasing from **84%** in H1 2023 to **77%** in H1 2024.
- Moreover, the share of revolving credits is increasing from **6%** in H1 2023 to **7%** in H1 2024.

New production by channel (in m€)

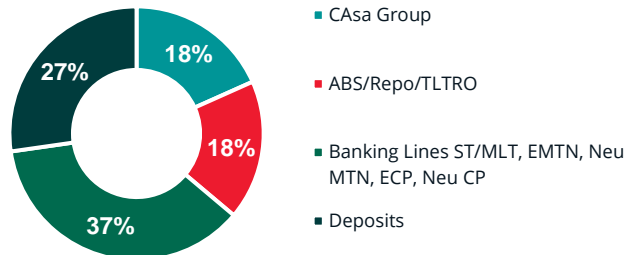


- The production decreased by **-10.4%** in H1 2024 (compared to H1 2023) due to a drop of the “Point of Sale – Auto” production of **-20.2%** up to **12.1bn€** (vs 15.2bn€ in H1 2023).
- This drop is explained partially by a decrease of GAC Sofinco production from **3.1bn€** to **1.0bn€** between H1 2023 and H1 2024.

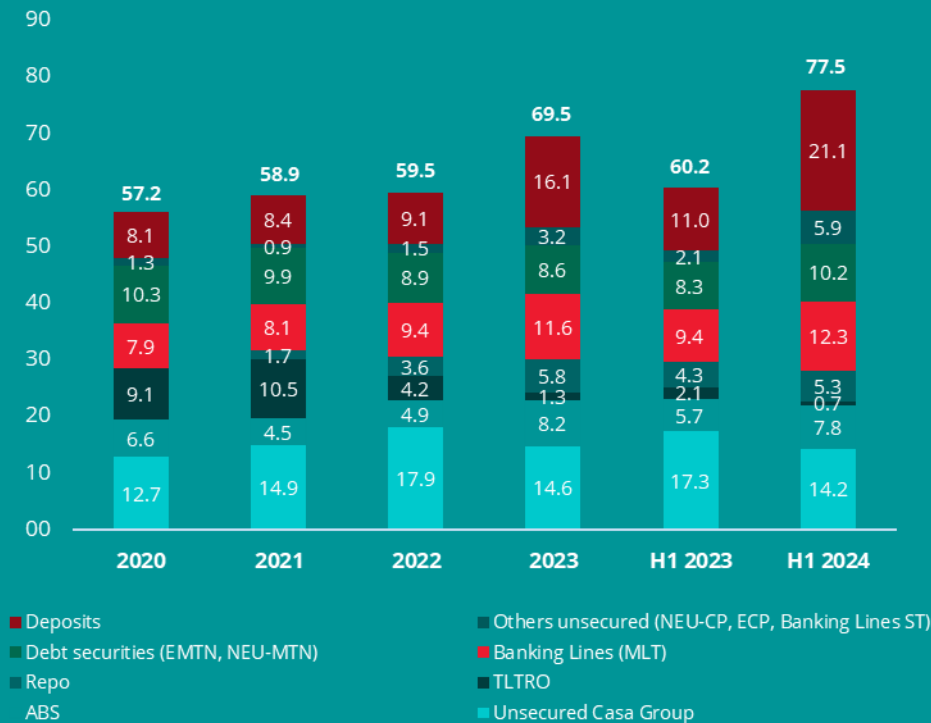
CAPFM Group

Funding structure 2020 – H1 2024

- In H1 2024, the volume of Crédit Agricole S.A. net funding unsecured has decreased by **-3.1bn€** in comparison to H1 2023's figures reaching **14.2bn€** and **18%** of the total funding.
- Between H1 2023 and H1 2024, the main variations in external funding were:
 - 10.2bn€** increase in Deposits up to **21.1bn€** (representing **27%** of total funding in H1 2024 against **18%** in H1 2023).
 - 3.8bn€** increase in "other unsecured" up to **5.9bn€** (representing **8%** of total funding in H1 2024 against **3%** in H1 2023).



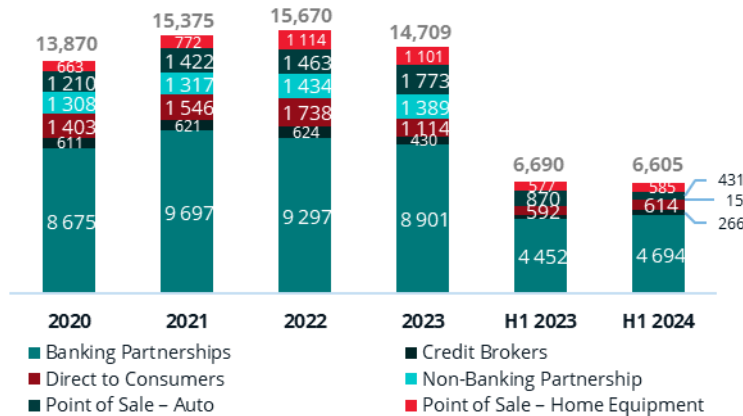
In bn€



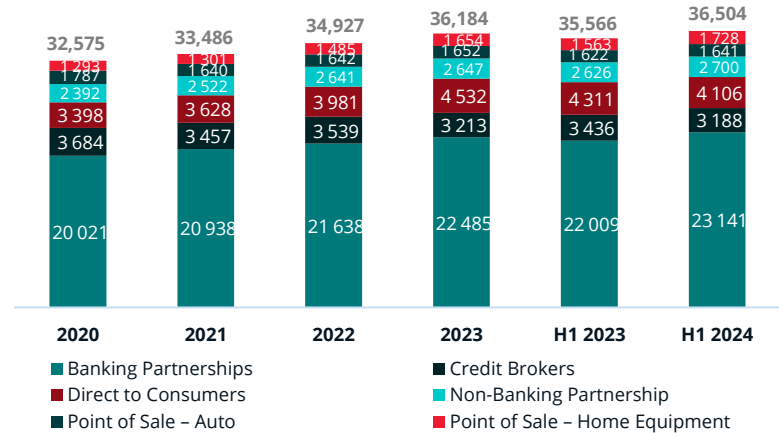
Focus on CAPFM France

Overview (1/2)

New production by channel (in m€)



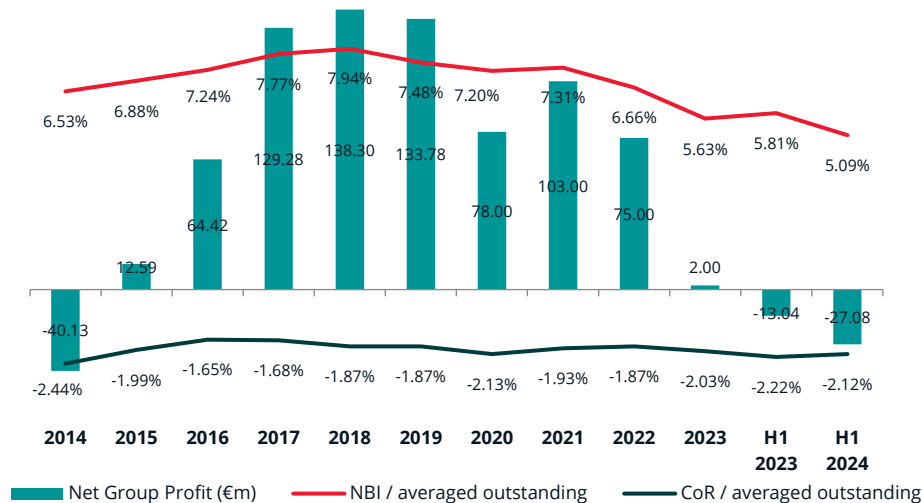
Managed outstandings (in m€)



- In H1 2024, the production decreased by **1.3%** compared to H1 2023, up to **6.6bn€** (vs 6.7bn€ in H1 2023). This is mainly explained by a drop of **-50.5%** (870m€ vs 431 m€ in H1 2024) of the “Point of Sale – Auto” production. This drop could be explained by a decrease of Leasing Financing in France between H1 2023 and H1 2024 (0.5bn€ vs 0.2bn€ in H1 2024).
- However, CAPFM reached **36.5bn€** of managed outstanding in progress of **2.6%** compared to H1 2023's figures. This is mainly explained by an increase of **10.6%** on the “Point of Sale – Home Equipment” outstanding due to a rate effect (increase in usury rate) leading to a drop of prepayments.

Focus on CAPFM France

Overview (2/2)



- The Net Group Profit (NGP) is decreasing continuously since 2021 from **103.0m€** to **-27.1m€** in H1 2024.
- The negative NGP in H1 2024 (-27.1m€) is due to several reasons:
 - The net banking income for corporate center drops compared to last year due to additional collection costs (-20.0m€), a cost of the additional subordinated share (-5.0m€) and lower hedging effectiveness on Sofinco fixed-rate loans.
 - A negative-price effects on Sofinco perimeter linked to falling production margin in relation with the usury rate (limiting the customer rate).
 - A structural increase in the cost of risk for consumer credit in France.
- CAPFM forecasts regarding its NGP are not good for the end of the year.
- The “NBI / Averaged Outstanding” ratio is decreasing between H1 2023 and H1 2024 from **5.8%** to **5.1%**.
- Finally, the “CoR / Averaged Outstanding” ratio is remaining quite stable from **-2.22%** in H1 2023 to **-2.12%** in H1 2024.

2. Distribution channels and products

Main changes since 2022

Distribution channels and products

- **January 2024 - Sofinco Auto-Moto-Leisure perimeter has been transferred to CA Auto Bank**
 - Sofinco is now focusing on Home Equipment / Home Improvement, the direct channel and partnerships
- **Auto Market**
 - Credit (VAC) is becoming a minority, favoring leasing. There is also a rise in long-term leasing (especially on electric vehicles side).
- **Home Improvement Market**
 - Significant evolution of photovoltaic financing

Distribution Channels - CAPFM France

Points of Sale – Home Equipment / Home Improvement (1/2)

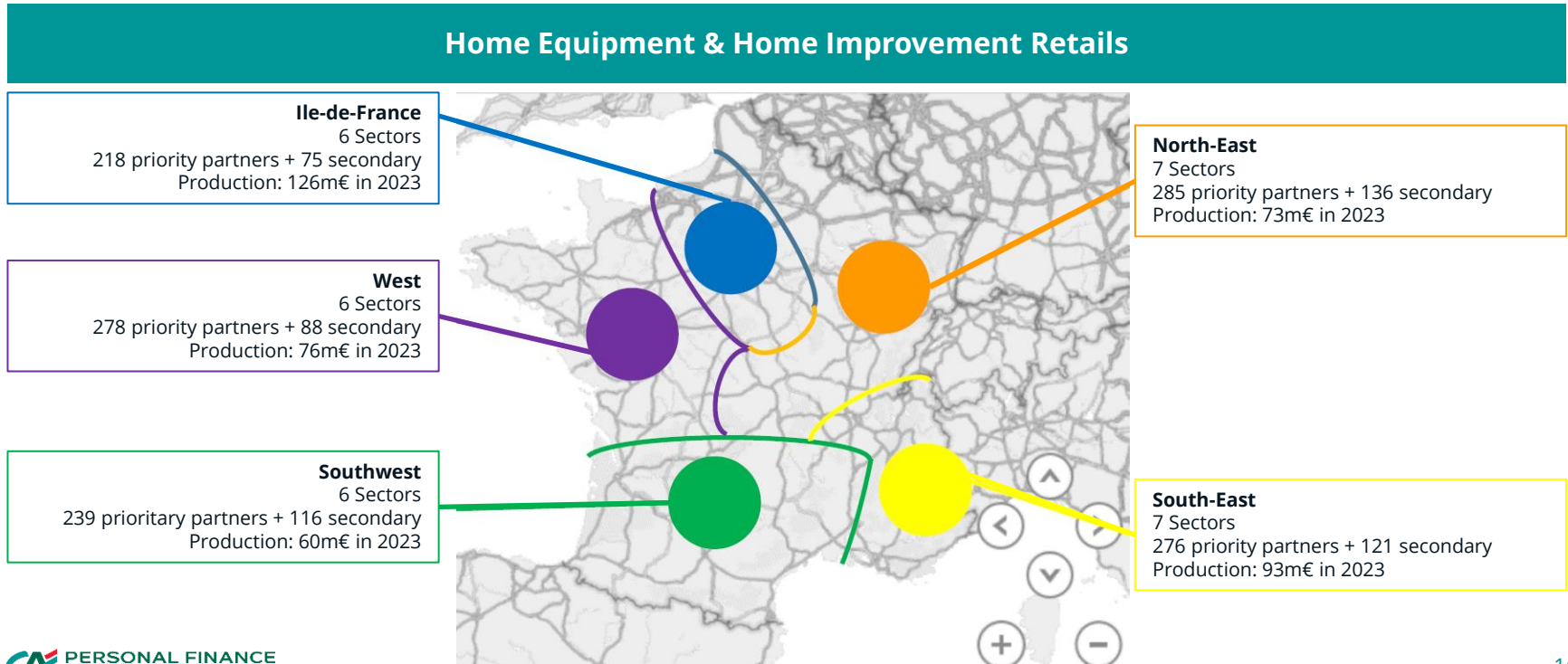
Home Equipment & Home Improvement Retailers

- Majority of Home improvement (Heating, Windows, photovoltaics, ...): Low concentration, high granularity (Top 10 dealers represents **20%** of distribution).
- Some state subventions.
- Active dealers: **1,345** points of sale. No exclusivity.
- Home Equipment market represents a low share in distribution compared to Home Improvement.
- Present at the point of sale via major home equipment / home improvement retailers (under the Sofinco brand).
- Present in e-commerce as well
- Part of sales realised by home sellers.
- Ancillary services to retailers such as dedicated representatives, sales force training, participation to trade fairs, point of sale demos, and supply of IT tools.
- Developed Sofinco Network, a website designed for the management of partners' credit activity.
- The market share in 2023 for Home Equipment / Home Improvement is **20.0%** (21.3% in 2022).

The point-of-sale distribution channel is divided in **5** regions for home equipment & home improvement (see the graph on slide n°17).

Distribution Channels - CAPFM France

Points of Sale – Home Equipment / Home Improvement (2/2)



Distribution Channels - CAPFM France

Points of Sale – Auto / Moto / Leisure Vehicles

Auto & Moto

Leisure Vehicles

January 2024 - Sofinco Auto-Moto-Leisure perimeter has been transferred to CA Auto Bank

CAPFM is active on the Auto, Moto, Caravans, Mobil-homes market via the Sofinco Auto Moto Loisirs brand with **220** employees

A broad offering of financing and related products directly to independent dealers and distributors or Partnerships like Pilote.

- Majority of used vehicles
 - Significant dealers: Buy My Car, Morin, Schumacher, ...
 - VAC mainly on used vehicles.
 - Multiple initiatives for vehicle makers and distributors including training tools for salesmen, supplier credit management tools and dedicated representatives
- The Leisure market is mainly constituted of groups (Rapido, Pilote Group, ...) which represent **90.9%** of sales. Only few independents (**9.1%** of sales).
 - Sofinco Leisure production is concentrated in Western France with **48.5%** of sales. Then Eastern France with **20.4%** of sale.
 - Broad line of financing and related products to dealers and distributors on the leisure vehicles market
 - Offer includes various product types and ancillary services such as warranty extensions, credit insurance and assistance

CAPFM market share in 2023 (including Leasing) is **6.2%** for Auto New (3.7% in 2022) / **6.2%** for Auto Used (7.6% in 2022) / **12.6%** for Moto – Leisure Vehicles (13.2% in 2022)

Distribution Channels - CAPFM France

Points of Sale – Dealers details – All markets (1/2)

Dealer sourcing, accreditation & risk monitoring

- CAPFM commercial department is constantly looking for developing new partnerships with key accounts and with new independent points of sales i.e dealerships, distributors.
- Dealers: **1,345** active for Home Improvement / Home Equipment Market.
- In order to formalise the distribution agreement between CAPFM and the point of sale, a “convention d’agrément” is signed between the two parties which defines the specific rules applied for standard loans, balloon loans and leasing.
- CAPFM operational loan platform is then deployed at the point of sales : Cassiopae. It enables the point of sales to process CAPFM loans (loan application, answers from CAPFM, documents upload).
- CAPFM salesmen travel onsite to set up Cassiopae and train vendors.
- Some indicators are used by CAPFM to monitor the risk at each point of sale :
 - *TIC3*: Ratio between the number of loans that had 2 or more unpaid incidents, or gone to litigation, in the first **3** months (first 3 instalments) and the total number of loans.
 - *TIC6*: Ratio between the number of loans that had 2 or more unpaid incidents, or gone to litigation, in the first **6** months (first 6 instalments) and the total number of loans.
 - *IR3*: Ratio between the amount of funding for cases that had 2 or more unpaid incidents, or gone to litigation, in the first **3** months (first 3 instalments) and the amount of funding for the cases produced.

Distribution Channels - CAPFM France

Points of Sale – Dealers details – All markets (2/2)

Dealer sourcing, accreditation & risk monitoring

- *I/R6*: Ratio between the amount of funding for cases that had 2 or more unpaid incidents, or gone to litigation, in the first 6 months (first 6 instalments) and the amount of funding for the cases produced.
- If those indicators are above a certain level for a specific point of sales, CAPFM may:
 - Require the relevant staff to go through new credit training
 - Deregister the point of sales from CAPFM network and terminate the “convention d’agrément”

Sales Finance Loans

Product characteristics

- Funds are disbursed by CAPFM directly onto the vendor/dealer's account

Product Type	Use	Borrowers	Rate Type	Amortisation Type	Loan Amount (EUR)	Original (# of monthly instalments) ⁽¹⁾	Security Interest
Home Equipment Sales Finance Loans	Home equipment : Furniture, kitchen and bathroom equipment, ... Home improvement : windows, heating, air conditioner, etc.	Private individuals	Fixed	Constant monthly instalments	From €150 to €75,000	From 3 to 180	None
Vehicle Sales Finance Loans	Automobiles Two-wheel vehicles New or used	Private individuals	Fixed	Constant monthly instalments	From €500 to €150,000	From 12 to 72*	Title Retention Clause / Pledge*
Recreational Vehicle Sales Finance Loans	Caravans Mobil-homes New or used	Private individuals	Fixed	Constant monthly instalments	From €5,000 to €100,000	From 6 to 180	Title Retention Clause

Sales Finance Loans

Pricing

- **Auto / Moto / Leisure:**

- Pricing mainly corresponds to the maximum usury rate, especially on Auto/Moto (0.20% points lower).
- For Leisure vehicle, the pricing can be lower than the usury rate.

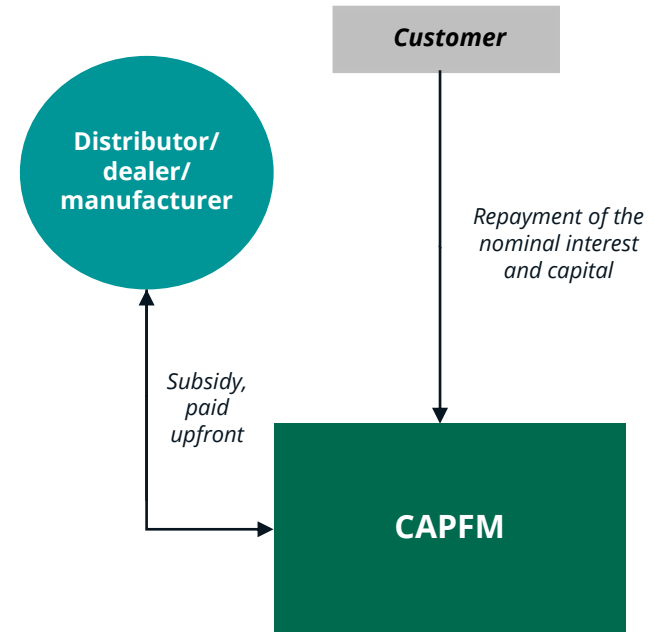
- **Home Equipment / Home Improvement** pricing is depending on sub-markets:

- Home Equipment Market:
 - Average duration of **12 – 24 months**.
 - A lot of TAEG = **0%** with subsidies financed by the seller to ensure the product's profitability.
- Home Improvement Market:
 - Client's tariffication depends on the profile and revenue of the clients
 - TAEG between **5.90%** and **7.90%**.

Sales Finance

Subsidised Interest Agreement

- In addition of the interests paid by the customer, Sales Finance loans can be subsidised by either:
 - *The distributor/dealer; or*
 - *The manufacturer.*
- Subsidises are granted in accordance with Commercial agreement signed by CAPFM with distributors/dealers or manufacturers in order to facilitate goods sales.
- Subsidies allow CAPFM to receive a market interest rate.
- The subsidy is paid upfront to CAPFM and is then amortised linearly in CAPFM's book.



Sales Finance

Focus on Optional Insurance (1/2)

- CPI* is always optional and may be terminated at any time.
- The premia paid monthly (monthly instalments). There is no upfront.
- As of December 2023, the percentage (CPI production on Total production) of loans including an insurance on the debtor (CPI) is:
 - **77.2%** for HE & HI Sales Finance loans
 - **84.2%** for Leisure vehicles (*very high due to important original financed amount and an elderly clientele*)
 - **34.7%** for Auto Sales Finance Loans (*without Tesla: 42.7%*)
 - **38.7%** for Moto Sales Finance Loans
- Such CPI product covers:
 - Death
 - Invalidity
 - Illness
 - Unemployment
 - Domestic assistance (Sofinco perimeter only)

Sales Finance

Focus on Optional Insurance (2/2)

- CAPFM acting as intermediary for:
 - CACI Life for death.
 - CACI Non-Life for invalidity, illness and unemployment.
 - Fidelia for domestic assistance.

- CAPFM operates through an internal broker called EDA, whose role includes:
 - Distribution of the products
 - Calculation of the monthly insurance premiums
 - Collection of the premium to be paid to the insurance partners, net of CAPFM commission.

- Claims and damages management is delegated to CAAS* (subsidiary of Crédit Agricole Insurance group).

3. Underwriting process

Main changes since 2022

Underwriting process

- **Mobility and Home Equipment & Home Improvement**

- Threshold on living expenses (“reste à vivre”) :
 - Systematic refusal of files below the authorized thresholds
 - Increase in Banque de France’s required living-expenses threshold (*From 657.0€ in 2022 to 745.0€ in 2024*)
- Strengthening the study of files on risky banks (depending on IR3 level – if >10%, considered risky)
- *Additional process:* Verification of the existence of client’s banking account through a new tool named *streammind*

- **Mobility**

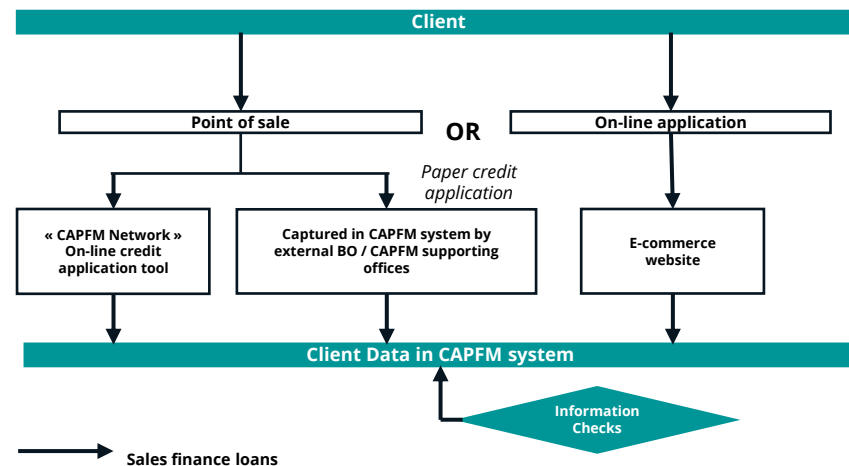
- Tightening on scoring for young people which are under 30 years old

Principles

- Underwriting is a pillar of CAPFM expertise.
- Under the responsibility of a person with the appropriate lending authority.
- Following a whole set of formal procedures covering all consumer loan credit applications.
- Benefiting from dedicated in-house decision-support systems:
 - Automatic consultation of external or internal databases
 - Scoring systems

Credit application

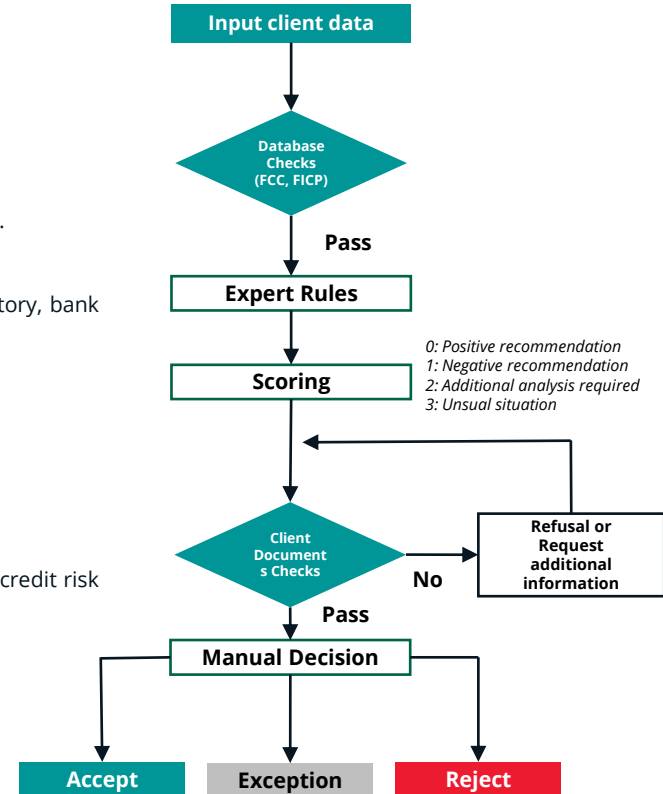
- For point-of-sale intermediaries, CAPFM developed “CAPFM Network”, a fully integrated credit tool enabling retailers to:
 - simulate financing offers for their customers
 - capture credit applications
 - obtain immediate answers and print contracts
 - benefit from automatic data transfers
- CAPFM multi-channel supporting offices: teams dedicated to the processing of customer requests sent through the different distribution channels.
- Through the CA Personal Finance & Mobility website, intermediaries may receive pre-acceptance on-line.
- Data inputs by CAPFM staff (direct) are subject to tight verification process.



	Number of entries	Number of financings	Acceptance rate	Conversion rate
AML - POS	35 736	13 725	81%	48%
AML - Online	6		33%	0%
EDM - POS	44 452	14 673	88%	38%
EDM - Online	188	51	84%	32%

Checks & Credit Decision

- Supported by automated decision tools:
 - Automated checks of external (FICP & FCC) and internal.
 - Scoring system
- Client documents (proofs of identity, residence, income, indebtedness, etc.) thoroughly checked.
- Score is based on wide range of parameters including
 - Applicant's details (age, income, other loans and leases, profession, employment history, bank history, etc.).
 - Type of loan.
 - T&Cs of the loan.
 - Credit history of applicant (internal & external credit database).
- Score cards
 - Developed internally and by external agencies (Fair Isaac).
 - Depend on segment / product / client profile
- Underwriting decision by duly authorised personnel, according to delegations: at Branch level, credit risk committee, regional level or head office.
- Rate of Acceptance despite Negative recommendation : **6.82%**
 - Customer solvency (adding a co-borrower, loan term extension)
 - Score < cut (further verification of customer information)
 - Fraud (further verification of customer information)



Information checks

- Information is captured in the systems by CAPFM staff.
- The following verifications are performed:
 - Loan applicant identity.
 - Internal customer database.
 - External « negative » databases recording payment incidents:
 - FICP file (Fichier des incidents de remboursement des Crédits aux Particuliers).
 - FCC file (Fichier central des chèques).
 - Customer match with any of these external databases is disqualifying, without any possible recourse.
 - Loan applicant income.
 - Loan applicant outcome (borrower's indebtedness, rents, etc.).
- Systematic double check of the information captured in the systems.
- Automatic control on input screens.
- Consistency of the various documentation provided.
- In case of doubt, call to the employer for verification purpose.
- Debt ratio : (total expenses + payment on current contract) / total income

Required Documentation

Requested documents for sales finance loans for Sofinco clients:

Sales Finance Home Equipment ≤3,000 €	Sales Finance Home Equipment >3,000 €	Sales Finance Automobiles Two-wheel vehicles Recreational Vehicles
Proof of Identity	Proof of Identity	Proof of Identity
Proof of Address*	Proof of Address	Proof of Address
Bank account identification	Last pay slips (or Income Tax for retirees and annuitants)	Last pay slips (or Income Tax for retirees and annuitants)
	Income tax returns (unless it is the only proof of income (retirees, liberal professions, farmers, annuitants, ...))	Income tax returns (unless it is the only proof of income (retirees, liberal professions, farmers, annuitants, ...)) ⁽¹⁾
	Bank account identification	Bank account identification
		Copy of Invoice
		Car registration documents if secondhand/used vehicle

- Original documents must be checked and copy to the folder / Required documents for every new loan (but not essential for a known client with loan at or below €3.000, unless change).

**If absence of identical address on the bank account ID or online process*

⁽¹⁾Or loan of a luxury or vintage vehicle

Specific additional documents are requested for luxury vehicles (i.e Order Form, Pledge Certificate..).

Scoring and rules (1/3)

- CAPFM acceptance score has been developed in-house by the Credit Department.
- The information contained in the scoring cards depends on the market / product / customer's profile considered.
- EDM : 3 score cards are used on the securitized perimeter:
 - 1 for known clients ;
 - 1 for unknown clients <30years old ;
 - 1 for unknown clients ≥ 30years old.
- AML* : 2 score cards are used on the securitized perimeter:
 - 1 for known clients ;
 - 1 for unknown clients
- A known customer has a loan outstanding for more than 6 months or completed for less than 12 months.

Scoring and rules (2/3)

- The main data used by the score are:

Socio - Demographic Information	Historic Customer Information (if applicable)	Information Credit
Marital status	Maximum number of unpaid debts	Number of instalments
Socio-professional category	Revolving credit utilisation rates (if applicable)	% Financed (if applicable)
Residential status	Date of last revolving utilisation (if applicable)	Credit amount
Number of children	Average amount of revolving utilisations in the last 12 months (if applicable)	Sale price (if applicable)
Household's income / charges	Date of the oldest personal loan	Household debt
Customer's age	Date of the oldest revolving period	
Start date living at present address	The outstanding capital of the loan (a personal loan or a revolving credit)	
Seniority in last employment	Seniority of the client with CAPFM	
External debt		

Scoring and rules (3/3)

- The scoring process leads to the following outcomes:

Code	Meaning
0	Favourable Opinion
1	Unfavourable Opinion
2	Complementary study needed (credit application shows particular characteristics requiring further in-depth study)
3	Unusual case (credit application is atypical and requires specific processing. It can result from the pre-defined rules for overrides)

- The recommendation code is followed by letters, meaning further types of explanations, such as:
 - Customer with arrears history
 - Co-borrower with arrears history
 - Limited customer profile
 - Client having a revolving credit or holding a private label card
 - Doubt on client's recognition by the system
 - Addition letter for fraud alerts
- All files, regardless of their outcome from the automatic process, are subject to human checks and controls.

Specific Rules

- Specific rules applies in these cases:
 - Files rejected by the scoring process.
 - Override is possible, but with great care and under the responsibility of the business line.
 - Particular situations such as:
 - The client had already a revolving loan at CAPFM.
 - The client is unemployed.
- Those specific rules request an ad hoc study that might lead to loan approval (according to the French legislation the credit cannot be refused if only one criteria is not respected).
- Each specific rule is detailed in a dedicated manual.

Global acceptance rates on amortising loans

- The acceptance rate varies according to the Market / Product and the corresponding risk management policy.
- In 2023, the acceptance rate was **81%** on the long channel.
- Various indicators including the rejection rate broken down by reason are monitored monthly.

HI / HE Market				
Year	Acceptance rate	Refusal rate due to external and internal filing	Other	Refusal rate due to score
2021	91,1%	4,6%	3,1%	1,2%
2022	90,1%	4,7%	4,3%	1,0%
2023	89,6%	4,9%	4,5%	1,0%
2024	88,5%	4,8%	5,7%	1,0%

Auto / Moto Market				
Year	Acceptance rate	Refusal rate due to external and internal filing	Other	Refusal rate due to score
2021	80.0%	5.0%	4.0%	11.0%
2022	75.0%	6.0%	5.0%	13.0%
2023	76.0%	8.0%	7.0%	9.0%
2024	77.0%	8.0%	7.0%	7.0%

Leisure Market				
Year	Acceptance rate	Refusal rate due to external and internal filing	Other	Refusal rate due to score
2021	95.0%	1.0%	1.0%	4.0%
2022	93.0%	2.0%	1.0%	5.0%
2023	92.0%	2.0%	1.0%	4.0%
2024	92.0%	3.0%	1.0%	4.0%

Delegation Levels

Marché PSP Délégations									
MODULE GLOBAL : Partenariat Stratégique et Prospection: Particuliers									
EDM / GD/GMF		Collaborateurs			Encadrement Agence	Encadrement /Marché		ENGAGEMENT ⁽¹⁾ (Niveau 1)	Direction générale
		Niveau 1	Niveau 2	Niveau 3	Responsable d'équipe (Niveau 4)	Responsable D'Agence Responsable Développement Regional (Niveau 5)	Directeur Adjoint PSP Directeur PSP (Niveau 6)		
Cumul d'engagement	Salarié	10 000 €	30 000 €	60 000 €	80 000 €	120 000 €	150 000 €	> 150 000€	
	Non salarié	10 000 €	30 000 €	60 000 €	80 000 €	120 000 €	150 000 €	> 150 000€	
	Rachat GFM	non	30 000 €	60 000 €	80 000 €	120 000 €	150 000 €	> 150 000€	
	Résidents monégasques	non	3 000 €		30 000 €	120 000 €	150 000 €	> 150 000€	

Long Channel Home Equipment & Home Improvement

Long Channel Sofinco Auto-Moto Loisirs

- Above market level, credit decisions are taken by the Underwriting Department or the Credit Committee.
- Delegations are detailed in the delegation manual available on the intranet.
- Detailed delegation depend on the product : amortizing, revolving, auto ...

MARCHE MOBILITE Délégations pour les Particuliers												
Mobilité Particuliers		Collaborateurs					Encadrement Agence		Marché		Engagement (niveau 8)	Direction Général
		Niveau 1	Niveau 2	Niveau 3	Niveau 4	Niveau 4 bis	Responsable d'équipe RE (niveau 5)	Responsable ASP RASP (niveau 6)	Responsable de Développement Régional RDR (niveau 7)	Directeur ALE, Directeur AML, Directeur Développement transverse et appui AML, DTA Responsable du Centre de relation partenaires AML - CRP (Niveau 8)		
Particuliers Cumul d'engagement CA/CF en HE	Tout produit	≤ 20	≤ 40	≤ 60	≤ 80	≤ 100	≤ 120	≤ 150	≤ 150	≤ 200	> 200	
	Véhicule de loisir ancienneté +15 ans et +60 mois	non										oui

4. Collection and overindebtedness process / litigation process

Main changes since 2022

Collection and Overindebtedness process / Litigation process

▪ Customer care Digitalization strategy

- Sofinco is engaged in a massive digital transformation process. It is planned to automate a large part of the customer's requests under the customer space.
- Customer satisfaction is at the heart of the company's concerns, and the aim is to offer customers a tool available 24/7, enabling them to manage their credit contracts independently.
- The process is well underway, and a large number of actions are already available on the customer space.

▪ Customer care outsourcing strategy – automotive scope

- Since January 1, 2024, after-sales customer relations have been outsourced to a CAPFM Group entity, CAAB.
- CAAB employees now handle all customer queries relating to their credit. Customers also have access to a customer space and are autonomous for some of their requests.

▪ The target collection project

- Deployed from 2022.
- The objective of this project is to optimize our collection strategies and strengthen our operational efficiency.

Customer Service (1/2)

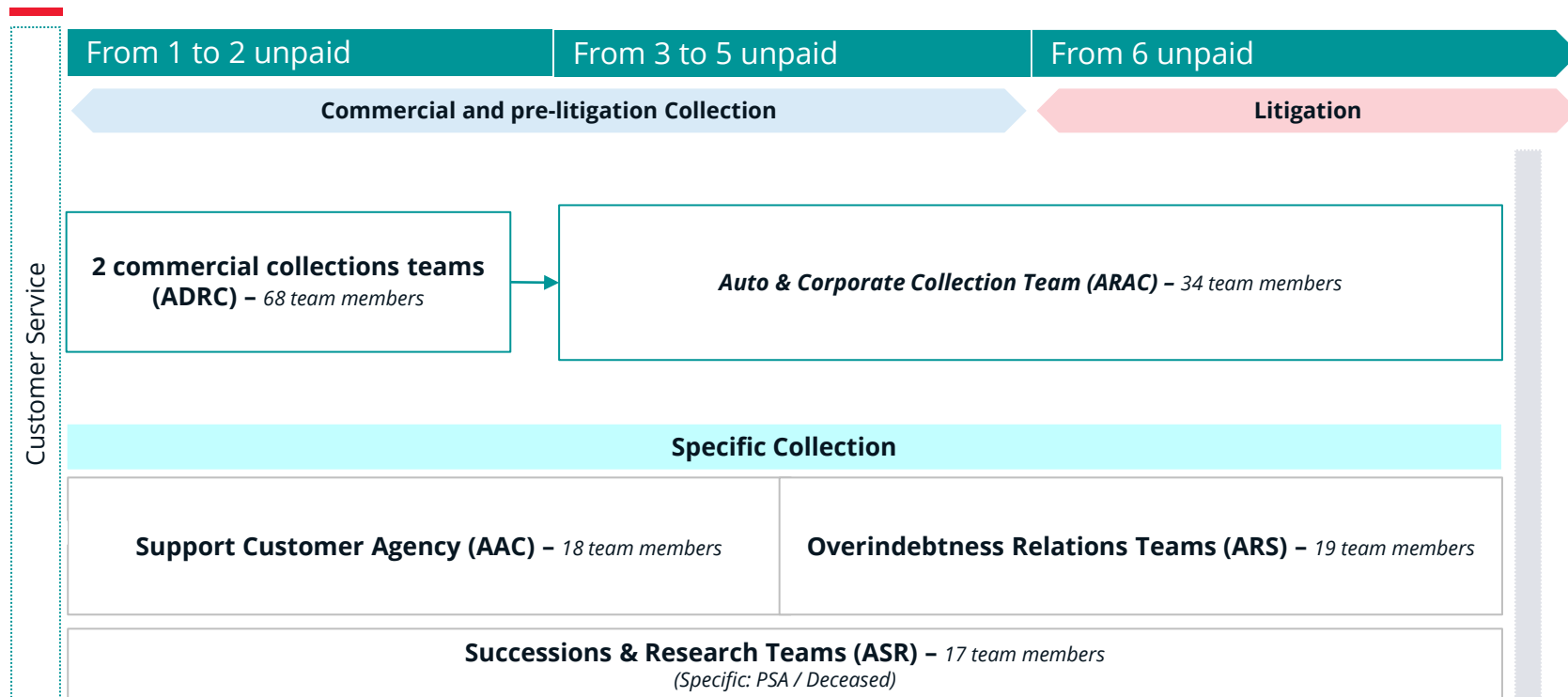
- Loans that are up to two instalments in arrears are managed by Customer Service team (approximately 200 employees).
- Payments mainly by direct debit, (2023 as reference year):
 - direct debit : **95.4%**
 - bank transfer : **3.4%**
 - Bank checks : **1.2%**
- Prepayments in full or part are allowed at any time during the life of the loan. Prepayments fees may be charged to the customer. There are many different calculation rules depending on the outstanding capital, among other factors. Prepayments in full is an automatic process available on secure client area.
- Customer Service also handles all activity relating to commercial renegotiations. Therefore, subject to certain conditions, customer service is allowed to agree to a request of the customer to, for instance :
 - Defer by one month the payment of one monthly instalment (and only one) twice in any rolling twelve months period ;
 - Reduce the applicable monthly instalment and extend the loan term accordingly ;

Customer Service (2/2)

- Change of insurance policies tied to the loan ;
- Change of withdrawal date ;
- Loan modifications are subject to several conditions, depending on the type of modifications :
 - The loan is not in arrears ;
 - The loan is at least six months seasoned (deferral monthly) ;
 - No claims have been processed in respect of any related payment protection insurance policy (change of withdrawal date) ;
 - The borrower has not filed with an overindebtedness commission ;
 - Any maturity extension shall not be greater than twice the remaining term (before the extension) subject to the condition that the new remaining term (after the extension) shall be no more than 84 months for Recreational Vehicles Loans.

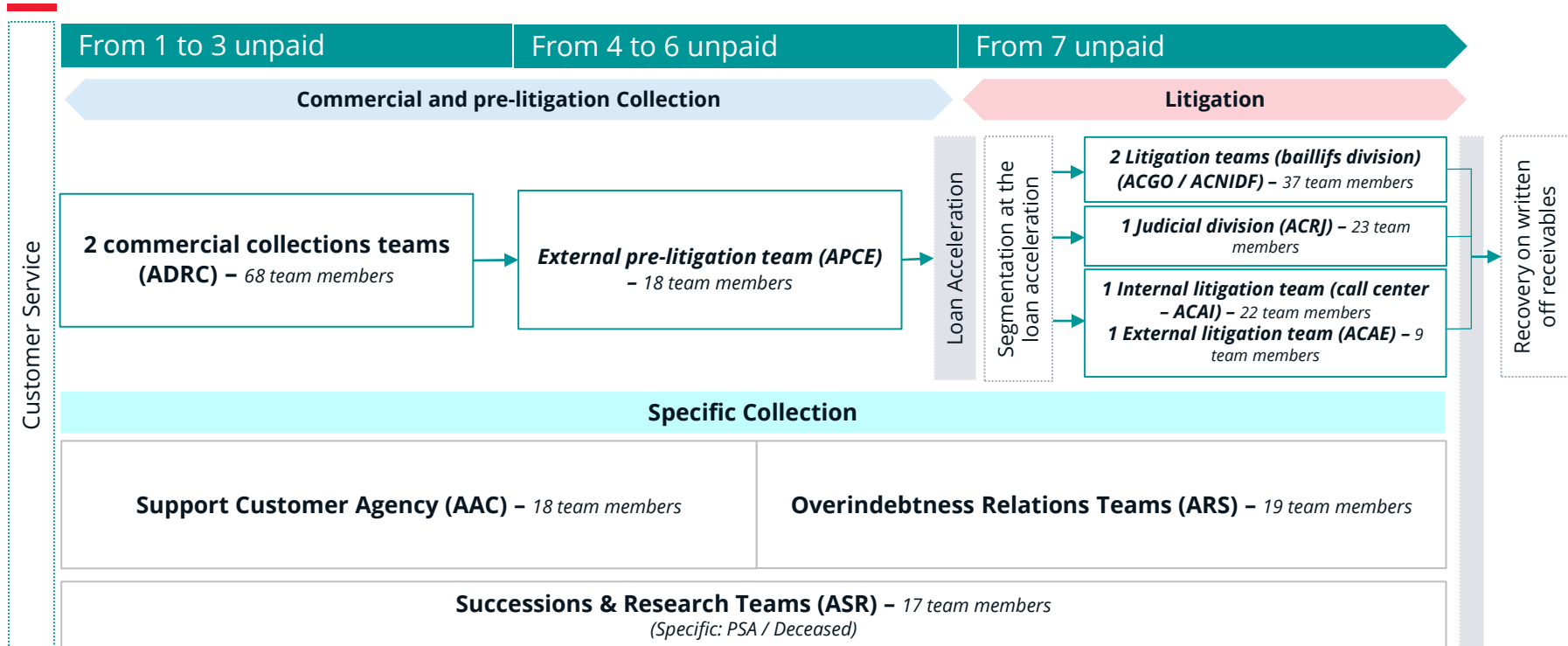
From customer service to legal proceedings

Since May 2021 for Auto / Moto / Leisure



From customer service to legal proceedings

Since September 2021 for Home Equipment / Home Improvement (HE / HI)



Collections – Amicable Recovery

- Combination of automatically generated letters and personalised calls to the customer by a collection agent.
- Objective is to allow customer to return to current status by:
 - Spreading the payment of the arrears over a maximum period of 2 (Auto, Moto & Leisure) or 3 (HE-HI) months.
 - Deferring the payment of one or two consecutive monthly instalment(s) (allowed twice in any twelve months rolling period) subject to the arrears being cleared off.
 - Allowing a maturity extension in order to reduce the applicable monthly instalment.
- There is an exclusion rules (Deferrals, extension of term, ...) on overindebtedness files.

Collections – Pre-litigation

- Objective: Recover late payments and limit the entry in litigation process.
- Depending on the circumstances, appointment of a bailiff.
- Country-wide coverage: network of **15 bailiffs**, working in close cooperation with CAPFM.
- Contacts & meetings:
 - Inquiry about the situation of the debtors to find a solution to remedy the situation.
 - Explanation of the judicial procedure that might be proceeded with, should the amicable phase fail.

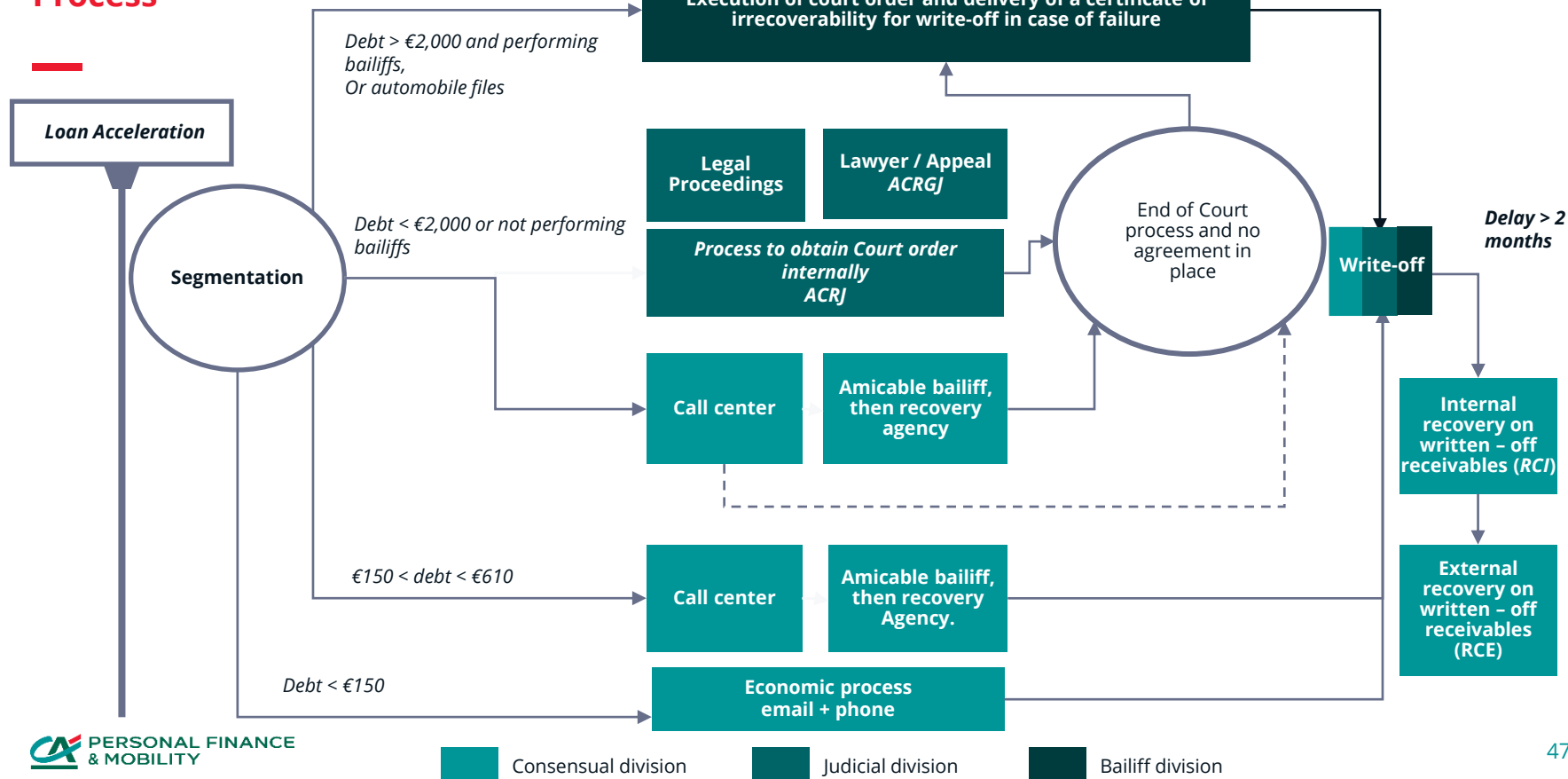
Collections – Litigation

Missions

- The litigation or judicial recovery process begins when all commercial and pre-litigation collection strategies have failed.
- Loan acceleration (“dechéance du terme”) is pronounced at the beginning of the litigation process.
- From the entry into the litigation process, the processes deployed must follow three basic rules:
 - Maximize the level of recoveries.
 - Minimize the costs incurred in the process.
 - Minimize losses.
- Litigation process is managed as a service:
 - CAPFM (whatever customer brand, Sofinco or Finaref).
- Process is entirely managed through a specialised and dedicated software (IMX), in a similar way for all client companies.
- Enforcement relying on a network of around **300 bailiffs** and **10 lawyers**.
- In parallel, attempts to reach an amicable settlement plan are continued.
- Write-off only when no amicable settlement has been reached and all available legal remedies have been exhausted.

Collections – Litigation

Process



Collections – Litigation

Focus

ORGANIZATION
OF TEAMS

OUR
MISSIONS

FEW
FIGURES*

2 Litigation Offices Bailiff

Roubaix - Bordeaux

2 Agency Manager
4 Team Managers
40 employees

Manage the network of 300 bailiffs
Recover amicably the files in litigation
Monitor the execution of judicial decisions
Monitor and to control the costs
Control and to validate write off

258.0m€ managed outstanding
26m€ cash collected in H1 2024

Litigation Office of Judicial Relationship

Roubaix

1 Agency Manager
2 Team Managers
19 employees

Guarantee the files by obtaining a title delivered by Court

Manage the network of Lawyers and to protect the interests of CAPFM and its Partners

175.0m€ managed outstanding
5.0m€ cash collected
5,356 Favourable judgements

Amicable Litigation Agency

Roubaix

1 Agency Manager
2 Team Managers
30 employees

Recover amicably the files during the phase in front of the Court
Manage the network of Debt Collection Companies

Internal and external reactivation of write-off .

65.7m€ managed outstanding
10.6m€ cash collected

Automobile Agency

Massy

1 Agency Manager
2 Team Managers
30 employees

Collect unpaid installment by maintaining customer relations in order to promote a fast and sustainable return to regular situation
Manage the network of 50 bailiffs
Monitor the execution of judicial decisions
Monitor and to control the costs
Control and to validate write-off

127.0m€ managed outstanding
33.4m€ cash collected in H1 2024

Collections – Overindebtedness

Focus (1/3)

- Debtors that have filed with the Overindebtedness Commission of Banque de France are managed by a dedicated platform at CAPFM (**19 specialists**).
- Since July 1st, 2010, regarding the LLC law, amicable recovery is no longer allowed. For consumer loans, mutual agreement between stakeholders is replaced by a conciliation phase in which the Banque de France imposes its measures and CAPFM has **30 days** to contest with the court.
- During the overindebtedness process, the debtor and creditors attempt to reach an agreement which may include:
 - Rescheduling part or whole of the debts, such rescheduling not exceeding **7 years** or **84 months**. This period can be extended in the event of the preservation of the client's main property.
 - **24-months** moratorium with a possible renewal.
 - Reduction in the interest rate and if necessary, of the principal balance or part of it.
- If the conciliation phase fails, and if the debtor does not request the opening of the recommendation phase, the file will be closed (failure statement)
- If the debtor requests the opening of the recommendation phase, the Commission may impose the conditions of the restructuring on all creditors.

Collections – Overindebtedness

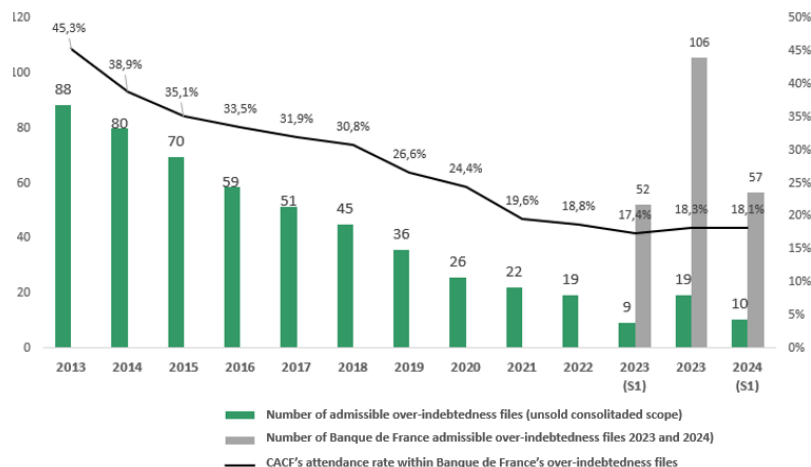
Focus (2/3)

- Where the debtor situation is deemed irremediably compromised and if the debtor has no property, the Commission can recommend to proceed to the personal bankruptcy (Procédure de Rétablissement Personnel - *Borloo Law*).
 - If the client has assets (real estate, savings, paintings, sculptures, vehicles, ...), the Commission transfers his file to the court to proceed with the judicial liquidation of the debtor's assets (Personal Recovery Procedure with Judicial Liquidation).
 - Then, the court has **12 months** to appoint a representative who will proceed with the liquidation of the assets and who will redistribute the assets according to the ranking of the claims retained on an unsecured basis (BODACC registration)
 - Proceeds distributed to creditors in accordance with their ranking.
- Personal bankruptcies are registered in a public register for **5 years**.
- March 2019: implementation of e-suren: overindebtedness workflow management tool: dematerialization of data exchange with the Banque de France.

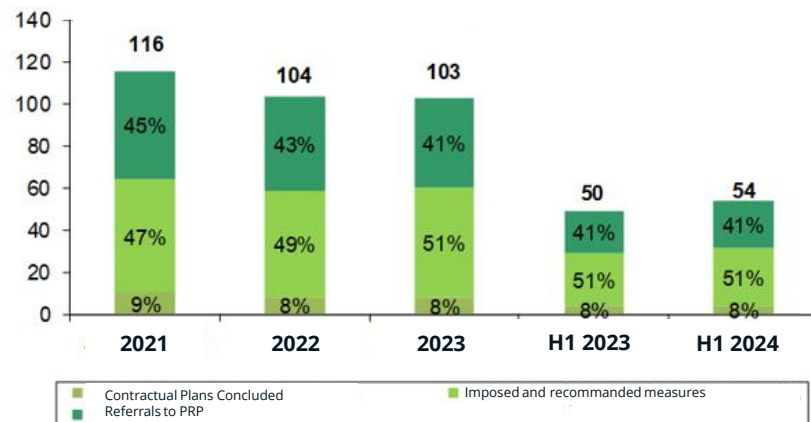
Collections – Overindebtedness

Focus (3/3)

Numbers of Admissible overindebtedness files from the Banque de France and CAPFM (in thousand)

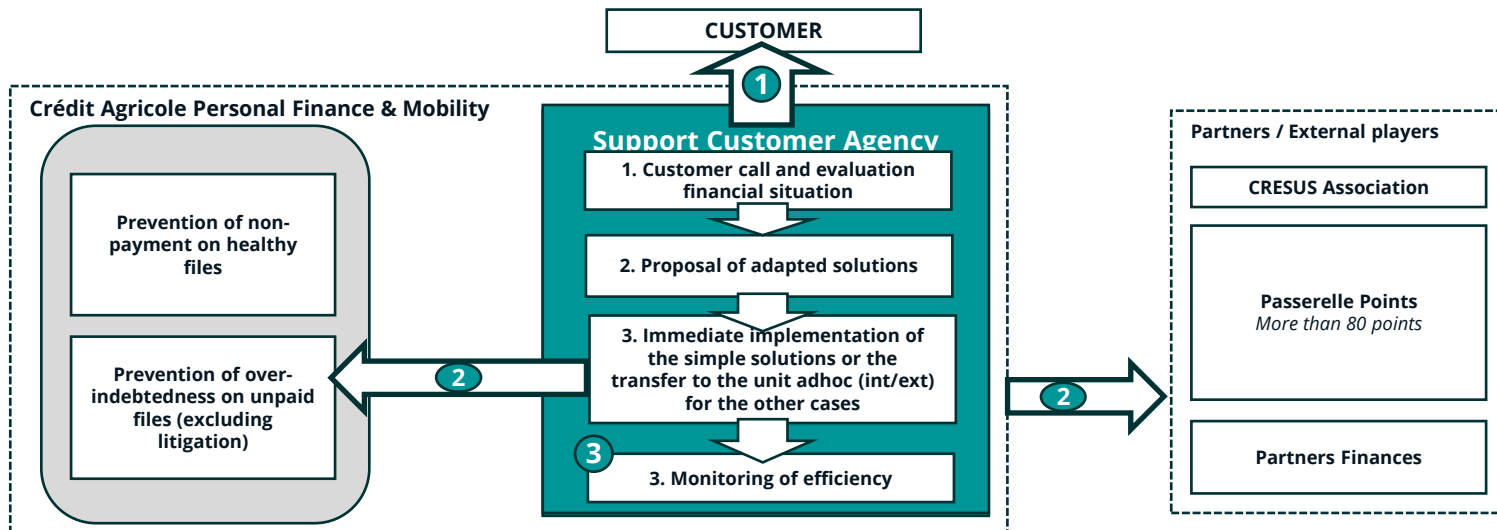


Banque de France's exits files, after closings and inadmissibilities (in thousand)



Support Customer Agency

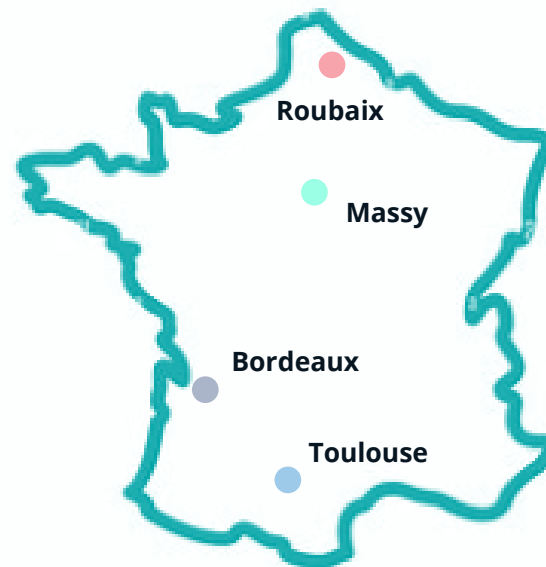
Focus



- This agency is used when there are signals of fragility (given by underwriting department) as change of personal situation, decrease of the income, close to the pension, refusal of credit ...
 1. Contact with the customers by CAPFM: Outbound calls (extension to inbound calls under consideration).
 2. After the personalised balance sheet assessment, introduction of the solution or orientation of the customer towards the concerned service (department) or the external structure for implementation of the solution.
 3. Measure of the set-up device (plan) and the adaptation of the solutions, the measure of the short-term, medium-term and long-term results (incomes).

Teams' location

Location	Units
Massy ●	Bailiff unit (ACH - Litigation Regional Office) Pre-Litigation Unit (Auto) Litigation Unit (Auto) Collective Proceedings Amicable Litigation Unit (RCA)
Roubaix ●	Judicial Unit (Lawyers) Amicable Litigation Unit (RCA) Overindebtedness Unit Commercial Collection*
Toulouse ●	Pre-Litigation Unit
Bordeaux ●	Bailiff unit (ACH - Litigation Regional Office)



5. Risk and Permanent Control

Assignments

- The Risk and Permanent Control of Crédit Agricole Personal Finance & Mobility ensures the follow up of risks in compliance with the Regulatory requirements and laws in each country.
- The perimeter covered: internal control perimeter in the whole Group including France on all risks and permanent control functions including compliance (credit, financial, operational, accounting, information system security, business continuity plan, non-compliance, outsourced essential services).
- **Main missions:**
 - **COMPLIANCE** with Crédit Agricole SA and CAPFM norms and methods is checked of all entities in term of deontology, anti money laundering, , fight against terrorism, international sanctions and tax evasion (FATCA), fight against corruption, data protection, new activities and products (such as securitisation programs), internal and external fraud with Crédit Agricole SA and CAPFM norms and methods.
 - **PERMANENT CONTROL** realizes the operational risks mapping and ensures the performance of second level of controls deployed over CAPFM Group in the respect of Crédit Agricole SA norms and methods and maintains the monitoring of operational risks and accounting risks.
 - **RISK MANAGEMENT** mitigates and validates the measure and models of all risks including financial risks as well as credit risks, formulates independent risk opinions, formalizes risk reports, realizes stress tests, contributes to the strategy risk and risk appetite framework definition and coordinates risks projects under supervision of Crédit Agricole SA Group.

Organisation

- RCP reports to Credit Agricole SA Group level and to the Regulator the situation of risks and Permanent Control monitoring.
- Risk and Permanent Control participates to several Committees in CAPFM such as:
 - **Corporate level Committees** (Group Executive Committee, Group Risk Committee, Group Credit Committee and Internal Control Committee).
 - **Thematic Committees** (Group ALM Committee, Group Large exposure Credit Committee, IFRS9 Coordination Committee, Group Provisioning Committee) or other Business Lines operational Committees.
- And issues opinions, when necessary, in order helping the decision-making process.
- Risk and Permanent Control monitors entities local risk and Permanent Control through Committees, Conference calls and missions.

Functioning

Independence

- The Head of Risk and Permanent Control Manager hierarchically depends on Group Risk Division of Crédit Agricole SA and functionally on CAPFM CEO.
- A similar structure exists in all entities of CAPFM Group.

Supervision of Risk and Permanent Control

- Annual Risk strategy and Risk Appetite Framework.
- Annual Risk mapping defined for CAPFM Group.
- Annual Permanent Control Plan.
- Annual qualitative ICAAP coordination and semi-annual quantitative ICAAP calculation.
- Monthly Follow up of limits, alerts and stress tests.
- Regular reports and action plans set up in order monitoring risks and permanent control.
- Participation or organization of Committees according to the defined governance.
- Contribution to the Audit missions relating to the scope of Risk and Permanent Control.

Focus on securitization risk & control monitoring (1/2)

- A general note defines the supervision of securitization in CAPFM Group GPS 316.
- A specific procedure describes into details the entire process of securitization in France.

Compliance

- Securitization process is eligible to the NAP (New activities and products) because it concerns customer products (receivables), except if repeat deal. Before our Executive Committee gives the “Go live” to a new securitization program, a specific NAP Committee held by Compliance studies all risks and issues a general opinion on the new program according to a strict format (internal procedure).
- Example of subjects studied: project organization, selection and quality of outstanding, results of audits or tests before the launch, operational risks, risk opinion, control plan, KYC, legal opinion and other risks.

Permanent Control

- A risk mapping of securitization process is revised once a year in order identifying the main risks.
- The organization around this process has been reinforced in France.
- A specific control plan has also been defined:
 - Degree 1 level: control of Management Report from the FCT, regular follow up of dysfunctions through a report in order correcting them as soon as possible and before the official publication, reconciliation of flows. Action plans with IT Department will allow more accurate statements for the reconciliation. In case of Clean Up, specific controls have been put in place.
 - Degree 2.1 and 2.2: a second degree of controls has been defined in order making reliable the accounts, following the triggers, checking that no dysfunction occurs.
 - FIG Permanent Control 2.1 produces monthly reports on those controls and on action plans needed and checks that the process of securitization follows the internal rules.

Focus on securitization risk & control monitoring (2/2)

Risk Management

- Risk Management follows the projects of new securitization programs through the monthly Funding Committees led by Funding / Treasury division.
- When a new project has to be launched, in France or in any other country, the local risk manager prepares a risk opinion on this securitization program: The risk manager identifies all risks linked to the characteristics of the operation and gives an independent opinion depending on the existing risk management and control. The risk manager contributes to the NAP Committee or to the Executive Committee.
- Corporate Center Risk Management also issues his own risk opinion regardless the local risk opinion to identified risk zones or potential issues in the operational management of the transaction.
- Corporate Center Risk Management risk opinion is required in case of central NAP Committee especially in terms of controls monitoring and IT management adequacy if relevant.
- Regarding French SRT securitization, Corporate Center Risk Management is in charge of supporting Finance by controlling the cost of capital relief model and calculation.
- Risk Management also follows the reports presented in CAPFM Group ALM Committees : funding plan realization according to the budget, all securitization programs in CAPFM Group, the eligible securitization portfolio by entity and the encumbered assets.
- Financial Risk Manager checks the correct application of ALM run off methodology through the documentation written and through the back testing performed annually on those models. The securitized outstanding is in the scope of the Model in case the securitization is consolidating. The back testing should therefore be performed both on Assets and Liabilities including the securitized portfolio.

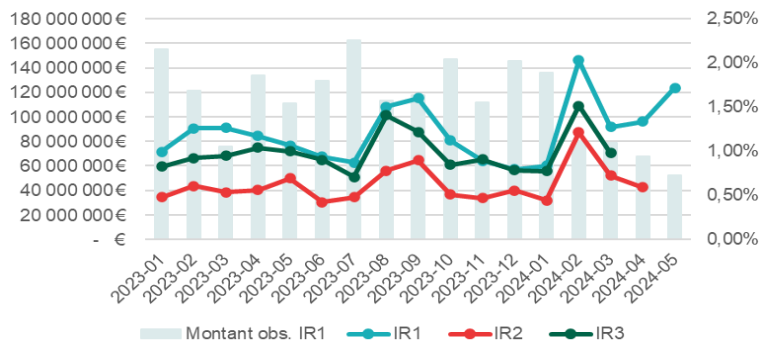
Monitoring of Portfolio Risk

Monitoring of indicators Immediate Risk (IR1/2/3) and Cost of Risk (CDR)

- Market risk management committees HI/HE et Auto – monthly frequency

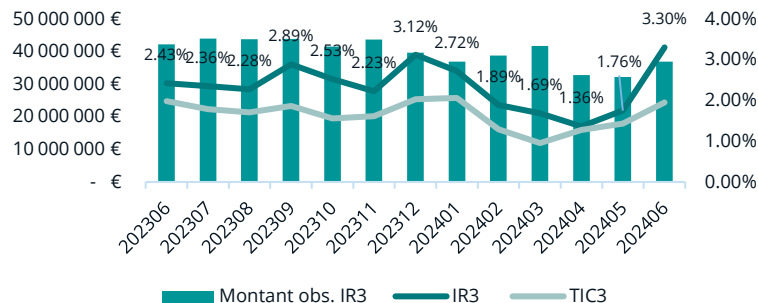
EM - Habitat

Evolution des IR1/2/3
Par mois de 1ère échéance



AUTO

Evolution de l'IR3
par mois de 3ème échéance



- IR1-2-3*: Ratio between the amount of funding for cases that had 1-2-3 or more unpaid incidents, or gone to litigation, in the first 1-2-3 months (first 1-2-3 instalments) and the amount of funding for the cases produced.
- TIC3*: Ratio between the number of loans that had 2 or more unpaid incidents, or gone to litigation, in the first 3 months (first 3 instalments) and the total number of loans.

Monitoring of Portfolio Risk

Monitoring of indicators Immediate Risk (IR3) and Cost of Risk (CDR)

- Monitoring of indicators Strategy Risk and Risk Appetite Framework with thresholds not to be exceeded:

Alertes issues de la Stratégie Risque 2024	Stratégie Risque 2023		Stratégie Risque 2024		Δ vs Current	Actuals 2022	Actuals 2023					Actuals 2024	
CACF FRANCE	Level 1 Niveau d'alerte DG CACF	Level 2 Niveau d'alerte CACF Group	Level 1 Niveau d'alerte DG CACF	Level 2 Niveau d'alerte CACF Group	Status	Réalisé 12/2022	Réalisé 03/2023	Réalisé 06/2023	Réalisé 09/2023	Réalisé 12/2023		Réalisé 03/2024	Réalisé 06/2024
Credit Risk													
Taux de Coût du Risque par portefeuille :													
Auto (AML : Auto Moto Loisir)	0,98%	1,08%				0,96%	1,18%	0,86%	0,87%	0,80%		1,39%	1,14%
Équipement des ménages	1,86%	2,04%	1,65%	1,74%	decrease	1,17%	1,38%	1,56%	1,59%	1,69%		1,44%	1,53%

Alertes issues de la Stratégie Risque 2024	Stratégie Risque 2023		Stratégie Risque 2024		Δ vs Current	Actuals 2022	Actuals 2023					Actuals 2024							
	Level 1 Niveau d'alerte DG CACF	Level 2 Niveau d'alerte CACF Group	Level 1 Niveau d'alerte DG CACF	Level 2 Niveau d'alerte CACF Group	Status	Réalisé 12/2022	Réalisé 03/2023	Réalisé 06/2023	Réalisé 09/2023	Réalisé 12/2023		Réalisé 01/2024	Réalisé 02/2024	Réalisé 03/2024	Réalisé 04/2024	Réalisé 05/2024	Réalisé 06/2024	Réalisé 07/2024	Réalisé 08/2024
Crédit																			
IR3 par portefeuille :																			
- Auto (AML : Auto Moto Loisir)	1,38%	1,46%				1,59%	1,08%	1,00%	0,83%	1,07%	0,94%	0,85%	0,83%	0,93%	1,03%	1,14%	1,07%	1,07%	
- PEM habitat	2,44%	2,57%	2,44%	2,57%	stable	2,87%	2,56%	2,28%	2,50%	2,60%	2,67%	2,58%	2,09%	1,68%	1,65%	2,23%	2,72%	2,86%	
- PEM hors habitat	1,33%	1,36%	1,33%	1,36%	stable	1,14%	0,93%	0,65%	0,60%	0,86%	0,71%	0,85%	0,81%	0,85%	0,71%	0,69%	0,59%	0,62%	

→ If threshold exceeded, then an alert is triggered, studies and actions to be implemented to go back below the threshold.

Monitoring of Portfolio Risk

Decisions / actions to improve risk

- Crédit France Committee
 - Decision-making on the actions to be implemented (tightening, implementation of additional study, ...)
 - Quarterly Committee

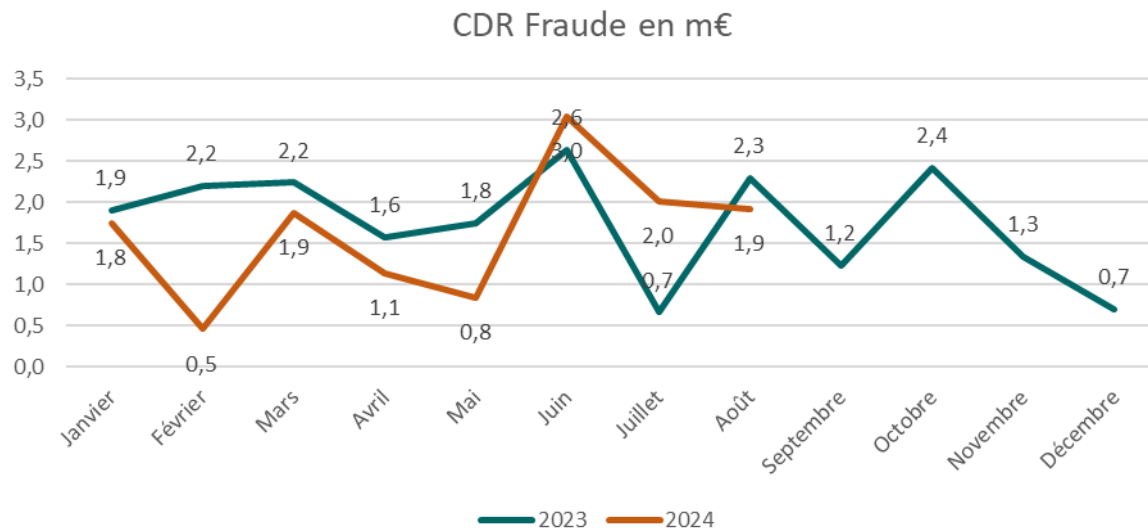
Example of action

- Customers action plan:
 - Mail reminding the 1st deadline
 - Immediate contact of customers in 1st unpaid
 - Strong awareness of customers on Early Repayments and state aids
- Radiation of contributors / dealers with significant risk
- Before the instalment, a reminder of the 1st deadline by SMS combined with a call is done for the **2,600** most risky customers

Fraud Risk

Result, overall company, of the fraud at end-August 2024

- The cost of fraud risk in 2024 is controlled and lower (at the beginning of 2024) compared to 2023.



Fraud Risk

Mapping of anti-fraud tools – Long channel (1/2)

- The tools are being deployed progressively on the « classic route » and « essential route » perimeters due to high implementation cost.

Outil	Type de contrôles	Circuit Long Magasins	Circuit Long Web parcours classique	Circuit Long Parcours Essentiel
LINXO	Relevé de comptes	FNAC / DARTY / IKEA : en rattrapage des refus score fraude		Oui
ALGOAN	Score sur base des données Linxo			Oui
UBBLE	Identité		Oui	
ARIADNEXT	Identité	Tous		Oui
MITRUST	Avis d'Imposition			> 3000 €
STREAMMIND	Relevé d'Identité Bancaire	Tous	Tous	

Fraud Risk

Mapping of anti-fraud tools – Long channel (2/2)

- LINXO: direct access, through customer authentication, to their accounts
- ALGOAN: external score to exploit open banking/open finance data
- UBBLE: identity control via document/video consistency
- ARIADNEXT: Ocerization* tool for the coins collected at the time of granting, with data consistency control
- MITRUST: direct access, enabled by customer authentication, to their tax slip and data collection
- STREAMMIND: control of the RIB transferred by the customer (existence and identity)
- Fraud Score: internal algorithm for detecting grant fraud
- FRAUSECURE: blacklisting system for data from proven fraud cases

6. Internal Audit

Assignments

- The audit set-up of Crédit Agricole Personal Finance & Mobility, fully complies with banking regulation, in line with the procedures and organization of Crédit Agricole S.A.
- The Internal Audit Department covers the whole scope periodic controls (France and international).
- Its main assignments:
 - Make sure of the proper and effective functioning of the internal control set-up deployed in the CAPFM Group.
 - Independent supervision (3rd level) of the different types of risks (e.g. counterparty, operational, financial / accounting, regulatory and compliance).
 - Issue reports with the aim of correcting the anomalies and dysfunction detected during the audit assignments defined by the annual plan of audit or exceptional.
 - Assure the monitoring of the corrective action plans proposed following audit assignments and assess the residual risk after the actions plan have been undertaken.

Organisation

- The Internal audit board consists of:
 - Central Audit in charge of conducting audit assignment in France, the supervision of audit assignment abroad or the execution of cross-countries/entities audit assignment.
 - International coordination of audit teams (Subsidiaries and Joint-venture CAPFM) and management of the Heads of Audit of the different subsidiaries.

Functioning

Independence

- In order to ensure its independence, the Head of Internal Audit reports:
 - Hierarchically to the Head of Inspection General of Crédit Agricole S.A.
 - Functionally to CAPFM Chief Executive Officer.

Supervision of risk and internal control set-up

- Identification of all risks through a risk mapping, regularly updated, defining an associated audit cycle detailing each auditable subject.
- Construction of an annual audit plan based on the mapping and audit cycle.
- Issuance of reports and recommendations resulting from audit missions addressed to CAPFM managers and monitoring the implementation of the corresponding action plans.
- Regular presentation of the audit conclusions to the Chief Executive Officer, the Internal Control Committee, Audit and Accounts Committee, and to the *Inspection Générale* of the CASA Group.
- Participation to the Audit and Accounts Committee and the Internal Control Committee.
- Contribution to the various regulatory reports related to Periodic Control.

Examples of controls done during an assignment

Review of organization

- Segregation of duties (Front-Office, Back-Office, Middle-Office et Permanent Control).
- Correct definition of human and IT resources dedicated to securitisation operations.
- Appropriate governance and framework (committees, reports, procedures, limits).

Review of operations

- Review of relationships with external partners (arranger, servicer) and their contractualisation.
- Calculation of fees payments (servicing fees, administrative fees, trustee fees, guarantee fees, remuneration of credit enhancements).
- Correct selection of loans at the initialization and during the replenishment, trigger follow-up.
- Review of IT systems and IT controls.
- Verification of securitisation reports (ECB and investors) and their reliability.
- Analysis of all impacts on ALM policy.
- Analysis of accounting registrations linked to securitisations.

Review of Risk and Permanent controls

- Review of Risk opinions on securitisation.
- Presence of Risk opinions on ALM models including and excluding securitisations.
- Review of 1st and 2nd level controls performed on securitisations.

7. CAPFM IT System

Main changes since 2022

CAPFM IT System

- Agile transition of teams
- Convergence towards API architecture
- Strong security of the IT (internal service offering) for customers, partners and employees
- Management and remediation of obsolescence

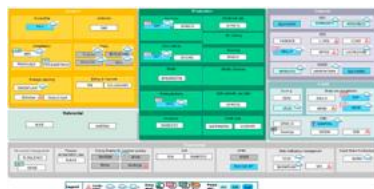
CAPFM IT System

Focus on 3 major evolutions



An existing cartography, proving an urbanized SI

Number of functioning areas	7
Number of functioning quarters	55
Number of functioning blocs	201
Number of applications	621
Number of projected applications within the functioning blocs	196



Projected initiatives for 2023-2025

2023-2025 period mainly treats deals with application for distribution channels and credit as well as the automotive part (loans, leasings, ...).

From a technological standpoint, it also focuses on few key points:

- API & Open Banking
- Focus on data use
- A voluntary "move2cloud" trajectory (legacy & cloud-native apps)
- Obsolescence treatment
- Green IT introduction (Build & Run)



Deep Improvement for 2023-2025

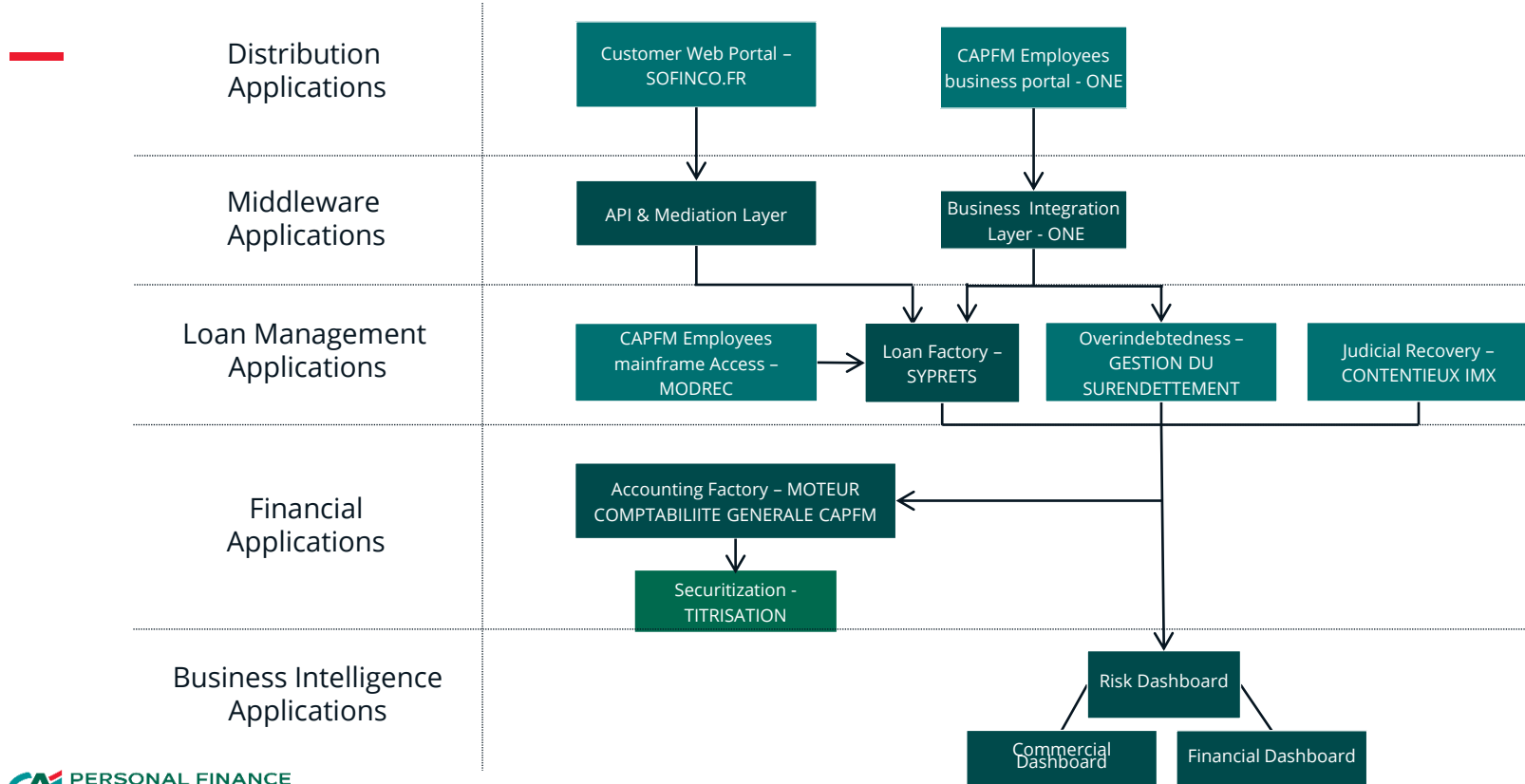
"IA Gen" solutions' Investments from 2025 will need to verify usable data bases and identify inter-applicative links in relation with identified base cases.

Gradual implementation of a new CBS from 2026 (choice of solution to be confirmed) which will have a deep impact on the current application base and the technologies and infrastructures used.

The arrival of Salesforce on the CRM perimeter in 2028, calling into question all acquisition channels initially, before extending its impact to the entire workstation (excluding market automation in the longer term).

CAPFM IT System

Main securitization applications concerned



CAPFM IT System

SYPRETS Security aspects

- The Sycrets application is an IBM mainframe application.
- Sycrets Infrastructure consists in four Mainframes IBM Z10-716 computers maintained by SILCA (Credit Agricole Group Infrastructure. Subsidiary), in **3 separated and distant datacenters** of Credit Agricole Group.
- Datas are replicated in **2 remote disk arrays**.
- Back-up:
 - Backup of all files every week.
 - Back-up of DB2 databases:
 - Full backup of each database on Saturday night.
 - Incremental backups every evening from Monday to Friday.
 - Incremental backups and logging are made on disk.
 - Full backups are cloned, then stored on physical cartridges.
 - The estimated time to restore the database (DB2) based on back-ups is 4h.
 - One annual business continuity plan test.

CAPFM IT System

Cyberattacks & Recovery procedures

- All strategic IT systems resources have strong availability, integrity, confidentiality and proof security mechanism :
 - Generate logs that are send to an external Security Operation Center for Security Supervision
 - Are under strict management of authentication, authorizations and accounting
 - Mainframe backups are provided by clones twice a day : clones both logical data and DATA with a 3rd copy on the Gradignan DC.
 - From the clones, restoration tests are carried out on the Group Restoration Platform called ETR and managed by CAGIP; business validations are carried out.

8. Environmental, Social & Governance

Main changes since 2022

Environmental, Social & Governance

- CAPFM engagement on 100% electric vehicles
 - 1 in 3 vehicles financed by CAPFM will be 100% electric by 2025 (announce at the end of 2023)

Strategy: Acting for the climate and reinforcing social inclusion



1 | We want a just, positive and non-guilt energy and social transition

Put our business at the heart of a fair and positive transition

As a major financing player, we need to combine energy transition and inclusion to:

- Accelerate the transformation.
- Enable better credit access and stronger protection for fragile customers.
- Encourage progressive but powerful movements without guilt

Have a role in society, based on the “raison d’être” of Credit Agricole Group

As a financing expert for consumption and mobility, we need to:

- Support the development of new modes of soft mobility,
- Promoting the energy transition of housings,
- Generalize the circular economy, sustainability, reparability.

Reduce our direct carbon footprint

We commit to reduce the direct carbon footprint of:

- our purchases
- IT
- Mobility
- Buildings

2 | We want to be the reference of societal commitments

Taking our fair share in the Group's societal Project

And actively contribute to the common good

CSR Make a source of Business

Natively anchor CSR in the business and in CAPFM Division

Engaging in a process of progress shared by all

Using a 'Engagement company' approach, it is formulated as follows:

- Accompany all our customers in each of the moments of life in full transparency and ethics by observing their choices.
- Accelerate social and energy transitions by providing positive impact solutions.
- Offer each of our customers and partners modern solutions by innovating in our offers and tools and by remaining attentive to the society.
- To enable each of our employees to be professionally realized at the service of customers and society.

3 | We want to put all our CSR action at the heart of the business and of the Group's societal Project



1. Supporting the evolution of low-carbon mobility by offering green and inclusive offers and services.
2. Making energy renovation of housing accessible to the greatest number of people.
3. Promoting access to sustainable and second-hand products.
4. Reduce the direct carbon footprint of our activities (-25% by 2025; -50% by 2030).



1. Make the credit accessible to as many people as possible and offer solutions to all our customers.
2. Prevent and support our most fragile customers.
3. Raise awareness of budget education.
4. Acting for equal opportunities: fostering the integration of young people and increasing the diversities.
5. To be a reference actor for youth.



1. Support low-carbon agricultural initiatives that enable the carbon compensation of CAPFM.

4 | We want to make concrete commitments (1/2)

Becoming the leader in green mobility in Europe



**By financing
1 in 2 new electric or hybrid
vehicles and 1 in 3 fully electric
vehicles in 2025
through:**

Partners programs with green
manufacturers and dealers.

A wide range of solutions and
services related to green mobility.

Financing energy renovation of housing



**Up to €1bn
by 2025 by:**

Reinforcing the quality of our
advice and support.

Developing partners programs
with renovation stakeholders and
prescribers.

Supporting the development of the circular economy



Encouraging innovation with
partners.

Offer new forms of dedicated
financing.

Promote the most responsible
products and players.

Make the credit accessible to as many people as possible



Be able to address young people
and low-income people especially
on social leasing.

Meeting the needs of an aging
population.

4 | We want to make concrete commitments (2/2)

Better detect signs of fragility and support fragile customers



- A detection process.
- A financial education program.

Affirming our equal opportunities values



- Support for the integration of young people and support for senior employees.
- Promoting gender equality.
- The development of diversity in all its forms.

Develop the Foundation For Youth



To increase the power and visibility of our support to the territories:

- Focus our sponsorship on environment, the circular economy and financial inclusion.
- Managing solidarity support with the CASD Group Foundation.
- Enhance the skills sponsorship program to foster the involvement of climate and inclusion employees.

5 | We want to reduce our direct and indirect carbon footprint

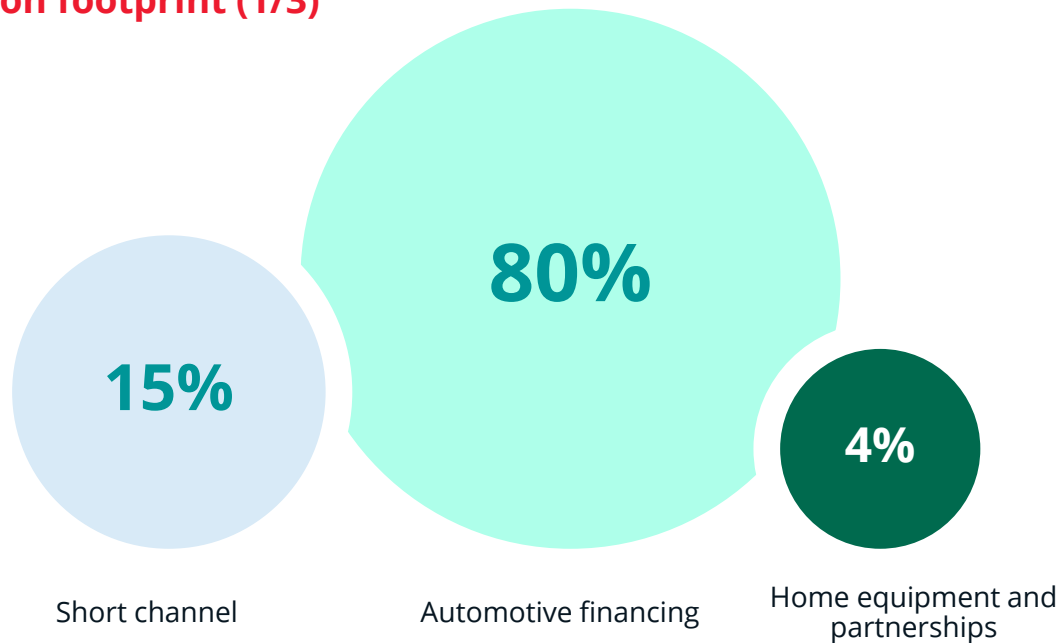
— Direct carbon footprint



Direct carbon footprint (1% of carbon Balance Sheet)

5 | We want to reduce our direct and indirect carbon footprint

— Indirect carbon footprint (1/3)



Indirect carbon footprint (99% of the Carbon Balance Sheet)






5 | We want to reduce our direct and indirect carbon footprint

— Indirect carbon footprint (2/3)

On December 2022, CASA has official communicated on its intermediary targets and action plan to reach carbon neutrality by 2050 on 5 sectors

CAPFM has committed to reduce the carbon intensity of financed vehicles of -50%* by 2030

Targets by 2030

-30%		Mt CO2e level emitted by our customers in Oil & Gas related businesses
-58%		CO2e emitted per kWh produced by our customers (production)
-40%		CO2e emitted per sq. meter per year by our corporate customers' and real estate professional buildings
-50%		CO2e emitted per km driven by our customers or the cars they manufacture
-20%		CO2e emitted per ton of cement produced by our customers

5 | We want to reduce our direct and indirect carbon footprint

— Indirect carbon footprint (3/3)

Examples of vehicle intensity

Fuel Use (TTW)
(gCO₂/km)



Renault, Captur
(Diesel)



167 gCO₂e/km

Renault, Zoe
(Electric)



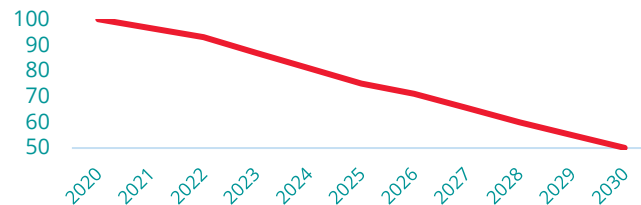
0 gCO₂e/km

Scope

- Based on total automotive Outstandings (balance sheet) and book value (out of balance sheet)
- Vehicle TTW emissions: Real value based on NEDC/WLTP value with corrective factor applied
- All entities, including non-regulated ones (Drivalia, New LeaseCo, GAC Leasing)

Trajectory

	Carbon Intensity (Base 100 in 2020)	KPI trajectory
2021	96,5	-3,5%
2022	93,0	-7,0%
2023	87,0	-13,0%
2024	81,0	-19,0%
2025	75,0	-25,0%
2026	71,0	-29,0%
2027	65,5	-34,5%
2028	60,0	-40,0%
2029	55,0	-45,0%
2030	50,0	-50,0%



THANK YOU FOR YOUR ATTENTION.

A family of four (a man, a woman, a young girl, and a baby) are sitting on the open trunk of a blue car. The car is parked in front of a house with solar panels on the roof. The scene is set in a lush, green environment. The car has a charging cable plugged into its side.

CA PERSONAL FINANCE
& MOBILITY

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