



# Crédit Agricole Italia Banking Group Covered Bond Programme and Credit Update

This document has been prepared by Crédit Agricole Italia S.p.A. and is confidential and is not to be reproduced by any person, nor to be forwarded or distributed to any person other than its original recipient. Failure to comply with this directive may result in a violation of the Securities Act of 1933, as amended (the “Securities Act”), or the applicable laws of other jurisdictions where it would be unlawful (the “Other Countries”). None of Crédit Agricole Italia or its affiliates, advisers, dealers or representatives takes any responsibility for these materials or any of its contents or in relation to any loss arising from its use or from any reliance placed upon it by any person.

No representation or warranty expressed or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein. None of Crédit Agricole Italia or its affiliates, advisers, dealers or representatives, or any other person, shall have any liability whatsoever (in negligence or otherwise) for any loss arising from any use of this document or its contents or otherwise arising in connection with this document.

The information, opinions, estimates and forecasts contained herein have not been independently verified and are subject to change without notice. They have been obtained from, or are based upon, sources we believe to be reliable but Crédit Agricole Italia makes no representation (either expressed or implied) or warranty on their completeness, timeliness or accuracy. Nothing contained in this document or expressed during the presentation constitutes financial, legal, tax or other advice, nor should any investment or any other decision be solely based on this document.

This document is for preliminary informational purposes only, limited in nature, and is not an offer to sell or the solicitation of an offer to purchase or subscribe for any securities and no part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. The information presented herein does not comprise a prospectus for the purposes of EU Directive 2003/71/EC (as amended by the EU Directive 2010/73).

Without limiting the foregoing, this document does not constitute an offer to sell, or a solicitation of offers to purchase or subscribe for, securities in the United States or Other Countries.

The securities referred to herein have not been, and will not be, registered under the Securities Act or the laws of Other Countries and may not be offered or sold within the United States or Other Countries or to, or for the account or benefit of, U.S. persons (except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act) or Other Countries persons.

Crédit Agricole Italia does not intend to register any portion of any offering in the United States or in Other Countries or to conduct a public offering of securities in the United States or Other Countries.

All of the numerical data provided in this document is derived from Crédit Agricole Italia’s consolidated and corporate financial statements or from its registration document and annual report and financial review updates, unless otherwise indicated.

This document is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation.

By receiving this document you agree to be bound by the foregoing limitations.

## **Forward-Looking Statements**

This communication may contain forward-looking information and statements about Crédit Agricole Italia Forward-looking statements are statements that are not historical facts. These statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, products and services, and statements regarding future performance. Forward-looking statements may be identified by the words “believe,” “expect,” “anticipate,” “target” or similar expressions. Although Crédit Agricole Italia’s management believes that the expectations reflected in such forwardlooking statements are reasonable, investors are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of Crédit Agricole Italia, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to, those discussed or identified in the annual reports and other filings with the French Autorité des marchés financiers made or to be made by Crédit Agricole Italia. Crédit Agricole Italia undertakes no obligation to publicly update its forward-looking statements, whether as a result of new information, future events, or otherwise.

## 1 Executive Summary

2 Crédit Agricole Italia Banking Group

3 Crédit Agricole Italia Banking Group Financial Highlights

4 Italian Housing Market

5 Crédit Agricole Italia Banking Group Residential Mortgage Loan Business

6 Crédit Agricole Italia OBG Programme

7 Appendices

8 Contact list

### Crédit Agricole Italia Banking Group Highlights

- ❑ Crédit Agricole Italia (CAI) Banking Group is 75.6% controlled by Crédit Agricole S.A., alongside Regional Banks, which own 9.3% (via Sacam International);
- ❑ The Group operates in prosperous northern Italy; 2mn customers in June 2020;
- ❑ Group's net income: €97mn in June 2020 (-38% YoY);
- ❑ Increase in loans (+5% vs. Dec. 2019) driven by both home loans and loans to businesses, resilient wealth management despite market turbulence (AuM -1,6% vs. Dec. 2019) and bancassurance, with output in May and June posting a more than twofold (x2.1) increase vs. March and April;
- ❑ Overall business performance recovered, with output in May and June back to the before-Covid-19 levels;
- ❑ Crédit Agricole Italia (CAI) is rated Baa1/Stable/P-2 by Moody's.

### Covered Bond Activity

- ❑ 2013: Crédit Agricole Italia OBG Programme of €8bn created
- ❑ 2013: Retained issue of €2.7bn
- ❑ 2014: Inaugural market issue of €1bn and partial cancellation of the previous retained issue (new outstanding: €1.2 bn)
- ❑ 2015: Market issue of €1bn
- ❑ 2016: Double Tranche market issue of € 0.75bn each
- ❑ 2017: Double Tranche market issue of € 0.75bn each in March and a new Market Issue of €0.75bn in December
- ❑ 2018: Market issue of €0.5bn; Programme extended to €16bn
- ❑ 2019: Market issue and retained issue of € 0.75bn each in March
- ❑ 2020: Double Tranche market issue in January of € 0.75bn and €0.50bn and retained issue in April of €0.50bn

*The covered bonds issued by Crédit Agricole Italia are rated Aa3 by Moody's.*

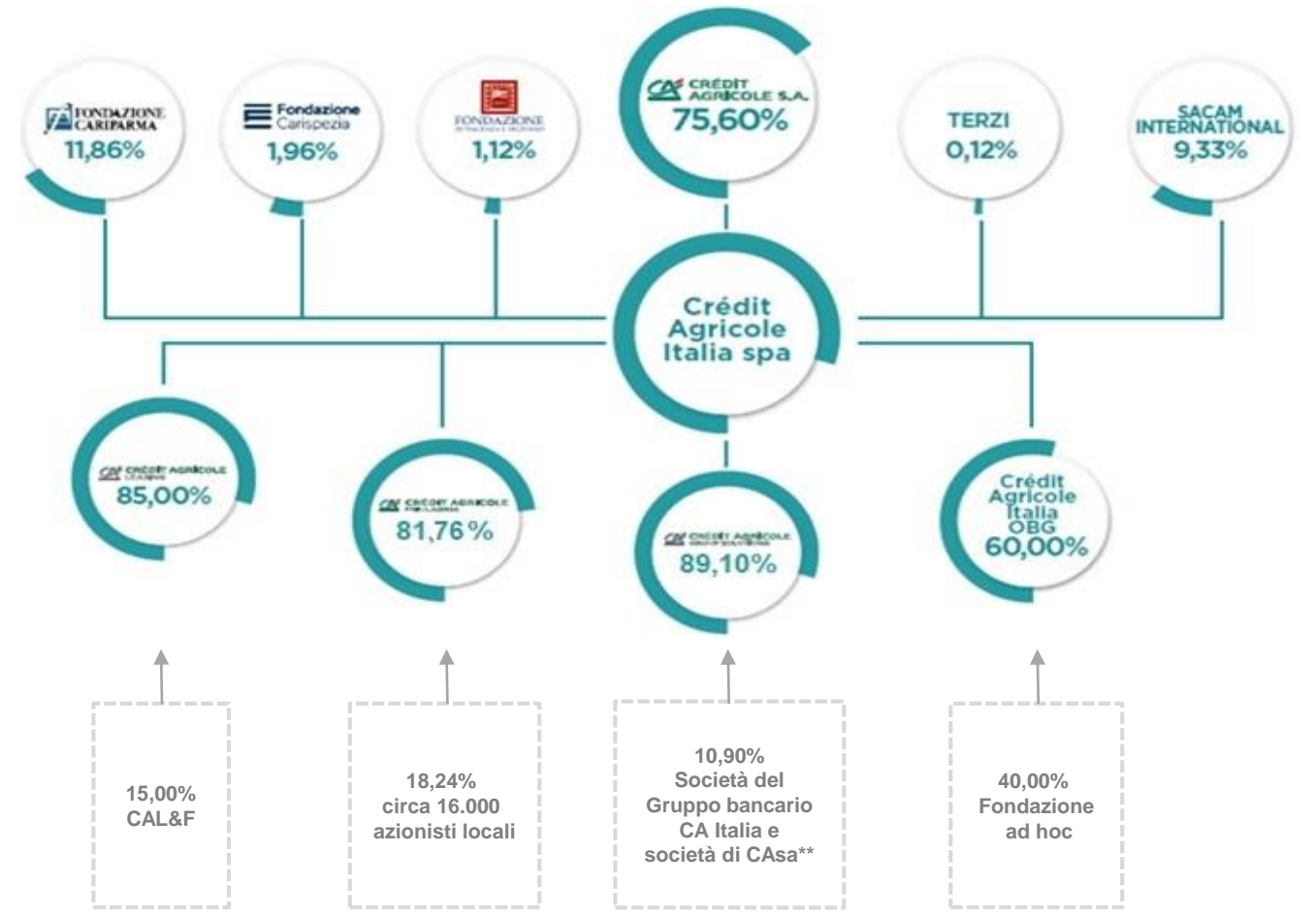
## Crédit Agricole Italia Banking Group Funding Strategy

- Crédit Agricole Italia is historically funded mostly by customers, through deposits and senior unsecured bond issues\* placed via retail branches;
- The covered bond market has offered Crédit Agricole Italia
  - Access to longer term maturities
  - Diversification, in terms of funding tool and broad market investor base
- The issuance of covered bonds
  - Adds value to the main asset of the Group represented by mortgage loans
  - Provides for a countercyclical, long-term refinancing option as part of the Group's funding mix
  - Allows for the optimization and stabilization of long-term funding costs
  - Is in line with Crédit Agricole S.A.'s strategy of limiting cross-border funding flows

- 1 Executive Summary
- 2 Crédit Agricole Italia Banking Group**
- 3 Crédit Agricole Italia Banking Group Financial Highlights
- 4 Italian Housing Market
- 5 Crédit Agricole Italia Banking Group Residential Mortgage Loan Business
- 6 Crédit Agricole Italia OBG Programme
- 7 Appendices
- 8 Contact list

At June 2020

- 2006**
  - Significant development of Crédit Agricole Group's International retail banking business line with the announced acquisitions of Cariparma, FriulAdria and 202 Banca Intesa branches in Italy
- 2008**
  - Creation of Crédit Agricole Leasing Italy; acquisition from Intesa of a leasing portfolio originated by Cariparma
- 2009**
  - Cariparma takes control of Crédit Agricole Leasing Italy from CAL&F
- 2011**
  - Acquisition of 96 branches and Carispezia from Intesa Sanpaolo S.p.A.
- 2013**
  - Creation of Cariparma OBG
- 2015**
  - Creation of Crédit Agricole Group Solutions: Group Services Company (IT, real estate, back-office)
- 2017**
  - On 21 December CA Cariparma acquired Cesena, Rimini and San Miniato Savings Banks
- 2018**
  - In 2018 merger in CA Cariparma of San Miniato, Cesena and Rimini
- 2019**
  - In February rebranding of CA Cariparma in Crédit Agricole Italia S.p.A.
  - At the end of July CA Italia acquired 100% of CA Carispezia's capital with its merger into the parent company
- 2020**
  - Crédit Agricole Italia S.p.A launches a cash voluntary public tender offer for all shares of Credit Valtellinese S.p.A.



\* Crédit Agricole regional banks (Caisses regionales)

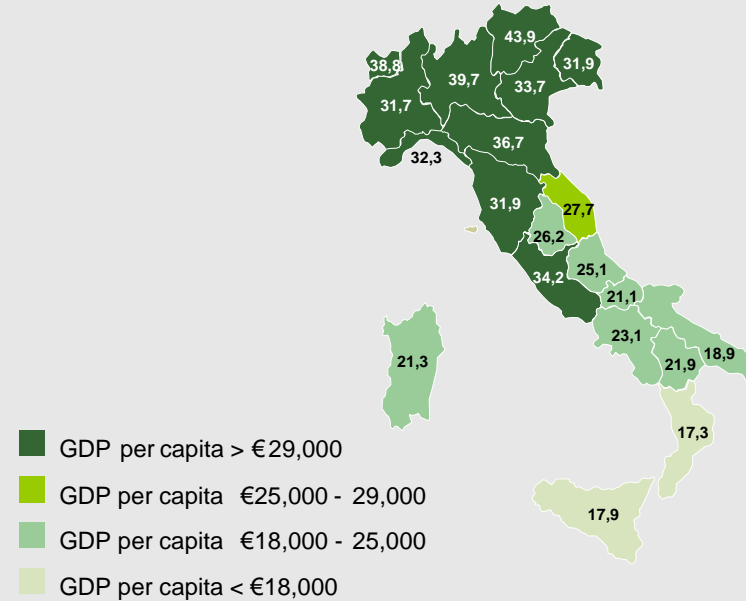
\*\* Crédit Agricole Group Solutions shareholders: Crédit Agricole Italia (89.10%), Crédit Agricole FriulAdria (8.75%), Crédit Agricole Leasing Italia (1.19%), Agos (0.75%), Eurofactor (0.06%), Amundi SGR (0.06%), Amundi RE Italia SGR (0.01%), CA Vita (0.04%), CA Assicurazioni (0.04%)



- The results give once again evidence of the Group's **ability to generate sustainable profitability**, effectively addressing and managing the health emergency. **Net income came to Euro 97 million**, down by -38% YOY, after prudential non-recurring provisions for the Covid-19 crisis (Euros 108 million);
- **Commercial performance recovered**, with output in May and June back to the before-Covid-19 levels;
- **€48.8bn (+4.6% vs. Dec. 2019) in customer loans outstanding in June 2020\***
  - **Market share: 3.46%\*\* at national level**
- **€51.9bn (+4.4% vs. Dec. 2019) in on-balance sheet deposits and debt securities issued in June 2020\***
  - **Market share: 2.64%\*\* at national level**
- **€37.4bn (-1.6% vs. Dec. 2019) in assets under management in June 2020\***
- **Employees: 9,685 in June 2020\***

- **Retail bank in Italy with 872 branches** (~ 1.025 point of sales including *Private, Enterprise and Corporate Centers*)\*
- Operating in the **high-potential regions of Northern Italy**, which have the highest GDP per capita

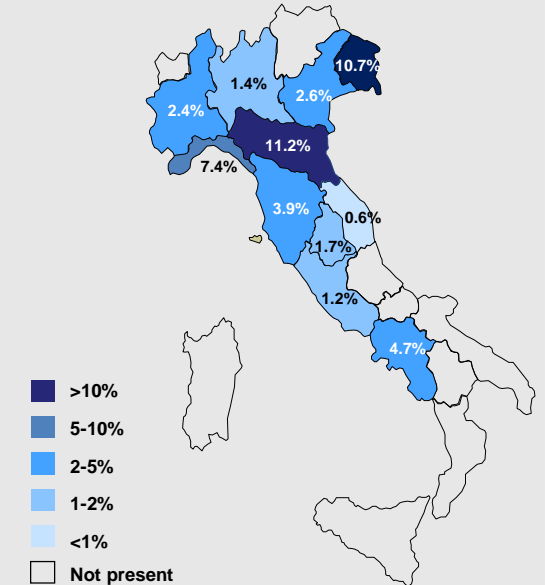
GDP per capita by region, in € K in 2019



Source: Istat

France, average GDP per capita 2019: 33,270 (OCDE)

On-B/S deposit market share, 30/06/2020



Source: Bank of Italy, data at 06.30.2020

\* Source: 1H2020 Interim Report of Crédit Agricole Italia Banking Group

\*\* Source: Planus and Bank of Italy, data at 06.30.2020



- 1 Executive Summary
- 2 Crédit Agricole Italia Banking Group
- 3 Crédit Agricole Italia Banking Group Financial Highlights**
- 4 Italian Housing Market
- 5 Crédit Agricole Italia Banking Group Residential Mortgage Loan Business
- 6 Crédit Agricole Italia OBG Programme
- 7 Appendices
- 8 Contact list

The Group CA performances in Italy are driven by an always greater synergic coordination between different business lines

<b>~ 4.5 million</b> customers	<b>€256 bn<sup>1</sup></b> of deposits and AUM	<b>€1,658 m</b> Net Income <sup>2</sup>
<b>14,000</b> employees	<b>€77 bn</b> of loans outstanding	<b>€257 m</b> Group share ~15% of Crédit Agricole S.A. results

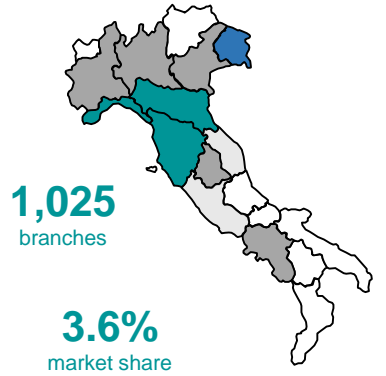
Data as of 30.06.2020

### Retail Banking Presence

**CRÉDIT AGRICOLE**  
2.0m customers

### Group presence in Italy

**CA Group in Italy<sup>(2)</sup>**  
4.5m customers



<b>GESTION DE L'ÉPARGNE ET ASSURANCES</b>    	<b>SERVICES FINANCIERS SPÉCIALISÉS</b>    
<b>LARGE CUSTOMERS</b>   	<b>OPERATIONS &amp; IT</b> 

The development of the **medium-long term strategy**, still actual even in a post covid scenario, is underway to consolidate the Group's positioning in the **Sustainable & Innovation areas**

**PMT 2022**  
based on 3 pillars

Presented on 6th june 2019



### A Green ...

- **Leader in green finance:** CACIB is a pioneer on the green bonds & loans market in Italy
- **Responsible investment approach:** Amundi scores the highest grade (A +) for its ESG strategy in the annual assessment of the Principles for Responsible Investment
- **Green Mobility projects** supporting the migration to a “green mobility” thanks to the CAI/Leasys partnership and the opening of Leasys Mobility Stores in CAI agencies (Parma, Milano, Roma)
- **Crowdfunding Platform:** CALL FOR FUTURE to promote quality education and inclusion (11 projects selected)

### ... and innovative Bank

The Group is developing an **innovation ecosystem** which aims to support startups with a **high innovative spirit and growth potential:**

- Le **Village by CA Milano** with 45 hosted startups;
- Le **Village by CA Parma** opened in Parma with 30 Startups and 14 partners.

### Support to the country during the Covid-19 crisis:

Following the outbreak of the health crisis, Crédit Agricole Group immediately took action to offer support to its Italian customers and foster the recovery of the Italian economy

**Crédit Agricole Italia**  
**€ 12,5 Bn**  
 Allocated, involving  
**~113,000 clients**  
 In relation to moratoriums, lending activities and guaranteed loans (more than €2 bn in new funding)

**CACIB**  
**8 Large Corporate supported**  
 Approved by Crédit Agricole CIB extraordinary liquidity lines for €1.6 billion, both in pool and bilateral. Client supported: Enel, FCA, Leonardo, TIM, Campari, Prada, ENI, IMA.

**AGOS**  
**90,000 Customers supported**  
 Approximately 100,000 moratoriums approved, for more than €1.3 Bn of loans

\* in collaboration with SACE.

Data as of Dec 2020



# Crédit Agricole Italia Banking Group

Resilience of profitability despite of Covid-19 emergency

Resilient profitability and solid business momentum supporting the real economy

- The Group in 1H2020 generated a **net income of Euro 97 million, down by -38% YOY, after prudential non-recurring provisions for the Covid-19 crisis (Euros 108 million)**;
- Profitability was affected by an impact on revenues due to the health emergency, as well as by changes in market rates driven by the expansionary measures deployed by Central banks. **Profitability went back to their year opening levels, with June posting the highest revenues in the half-year.**
- Constant financial support to households and businesses:** increase in loans, up by +5% vs. Dec. 2019, thanks to the growth in performing loans posted by both mortgage loans and loans to businesses;
- Business performance recovered to the year opening levels:** home loans, stable YOY, posted a recovery in June 2020 increasing by +27% vs. April 2020; bancassurance steadily grew with output in May and June posting a more than twofold (x2.1) increase vs. March and April.

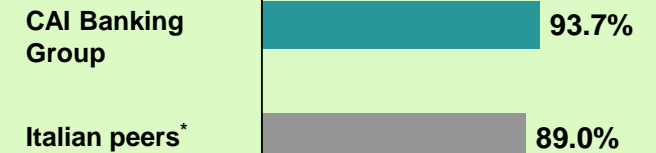
Expenses under control while keeping attention to customer centrality and innovation

- Total operating expenses** decreased by -1.4% YOY. The ordinary component, excluding contributions to bank resolution funds and the extraordinary costs incurred for the Covid emergency, decreased by -4% YOY, thanks to continuous improvement in operational efficiency;
- The Customer Recommendation Index** increased by over 3 points in the half-year, giving evidence that the Group's customers appreciated the support and assistance they were provided with in a situation of severe difficulty.
- Over 300 thousand hours of online training were provided in the first six months of 2020, with a participating rate of 90% and more than 35 hours of training per employee on average basis,** thanks to a training platform offering over 400 titles and 37 thematic areas.

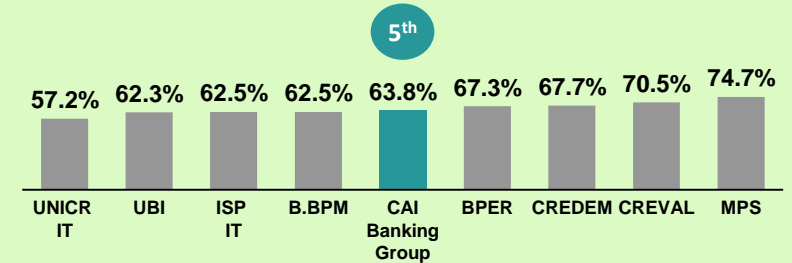
Constant focus on loan quality

- Among the best in the Italian market in terms of net impaired loans ratio (3.2%)** with adequate coverage ratios of the NPL portfolio: 54.9% for non performing and 69.6% for bad loans;
- Cost of credit** came to 92 bps in June 2020 vs 52 bps in December 2019. This increase was due to the non-recurring provisions recognized in the half-year in order to take into account the revised macroeconomic scenario impacted by Covid-19;
- Default rate** at 0.8%, down from 1.0% in Dec. 2019.

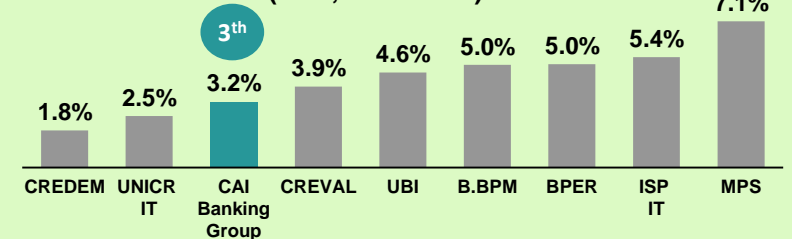
## Loan to deposit ratio



## Cost / income ratio\*\*



## Net Impaired loans ratio (in %, June 2020)





## LOANS (€bn)

<b>Loans to customers</b>	<b>48,839</b>
<i>o/w Current accounts</i>	1,860
<i>o/w Mortgage Loans</i>	30,081
<i>o/w Advances and credit facilities</i>	15,334
<i>o/w Non-performing loans</i>	1,563
<b>Loans to banks</b>	<b>9,837</b>
<i>o/w Crédit Agricole S.A.</i>	1,161
<i>o/w Bank of Italy</i>	8,353

## RATIOS

<b>Cost/Income</b> (excl. contribution to support the banking system)	<b>63.8%</b>
<b>Cost of credit</b> (net adjustments / net loans)	<b>92 bps</b>
<b>Net Bad Debts ratio</b> (% net loans)	<b>1.2%*</b>
<b>Bad Debts coverage ratio</b>	<b>69.6%*</b>
<b>Net NPL ratio</b> (% net loans)	<b>3.2%*</b>
<b>NPL coverage ratio</b>	<b>54.9%*</b>

## FUNDING (€mn)

<b>Funding from customers &amp; debt securities issued</b>	<b>52,127</b>
<i>o/w Deposits</i>	1,461
<i>o/w Current and other accounts</i>	40,398
<i>o/w Debt Securities issued</i>	8,757
<i>o/w CB</i>	8,250
<i>o/w others</i>	1,511
<b>Due to banks</b>	<b>10,858</b>
<i>o/w Crédit Agricole S.A.</i>	921
<i>o/w TLTRO</i>	8,700
<b>Indirect funding from customers</b>	<b>72,277</b>
<i>o/w asset management</i>	37,391
<i>o/w assets under administration</i>	34,886

## RATINGS

<b>Moody's Long Term Bank Deposits Rating</b>	<b>Baa1**</b>	<b>Stable</b>
<b>Moody's Short Term Bank Deposits Rating</b>		<b>P-2</b>
<b>Covered bonds rating assigned by Moody's</b>		<b>Aa3**</b>

## CAPITAL AND LIQUIDITY RATIOS (€mn)

<b>CET1 (fully loaded)</b>	<b>3,620</b>
<b>Own funds</b>	<b>5,209</b>
<b>Shareholders' Equity</b>	<b>6,489</b>
<b>RWA</b>	<b>28,734</b>
<b>CET1 ratio (fully loaded)</b>	<b>12.60%</b>
<b>Total capital ratio</b>	<b>18.13%</b>
<b>Liquidity Coverage Ratio (LCR)</b>	<b>&gt;300%</b>

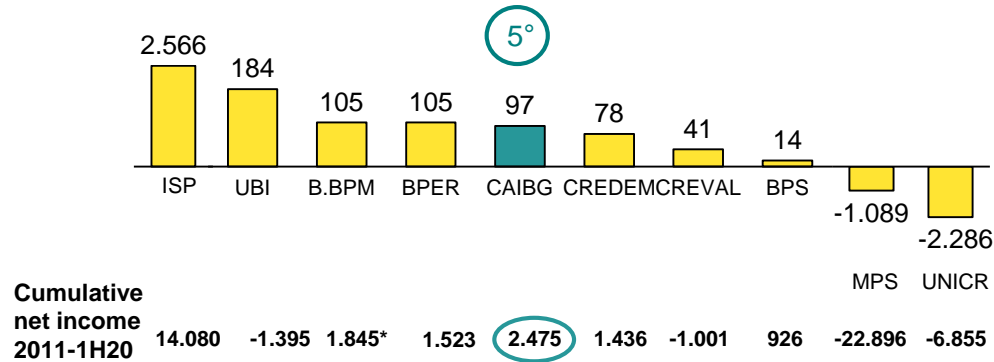
\*Bad Debts should be understood as «Sofferenze», whilst Non-Performing Loans should be understood as «Crediti deteriorati» as defined by the Bank of Italy (Circ. 272/2008 Bank of Italy 8<sup>th</sup> update)

\*\*Following the downgrade of Italy's sovereign debt to Baa3 by Moody's.

# Crédit Agricole Italia Banking Group Financial Highlights

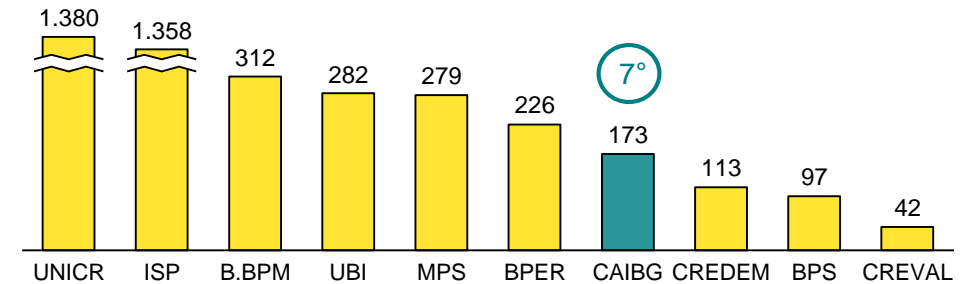
Crédit Agricole Italia Banking Group: 30/06/2020 ranking

## NET INCOME (million €)

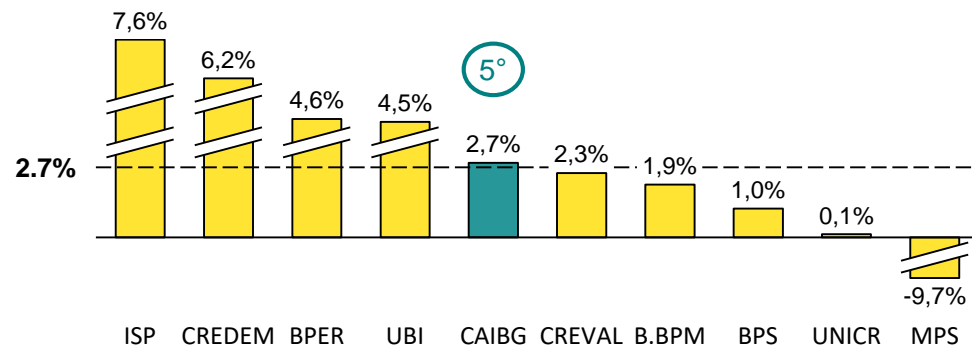


## TOTAL VOLUMES

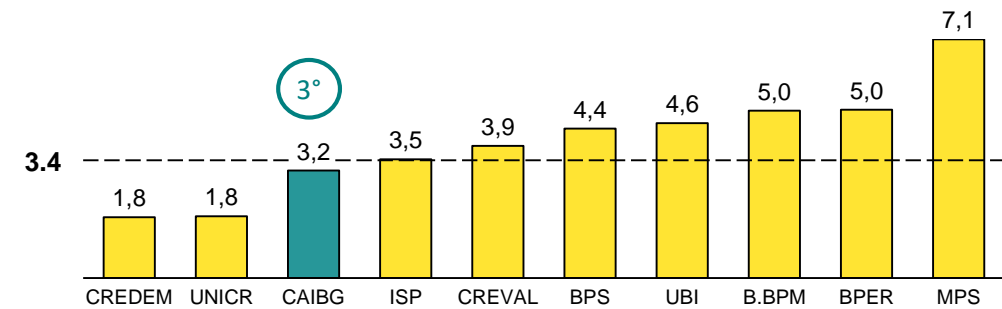
(loans, on and off-balance sheet customer assets €bn)



## ROTE\*\* (%)














## NET NPL RATIO (% net loans)



Competitors' performance are influenced by their different organizational structure as the inclusion, for some, of asset management, consumer credit, insurance or investment banking divisions.

# Crédit Agricole Italia Banking Group Financial Highlights

## Business Scope

	Banking	Bancassurance	Asset Management	Consumer Credit	Factoring Leasing	Investment Banking	Payment System
 <b>CRÉDIT AGRICOLE</b>	✓	✗	✗	✗	✓	✗	✗
 <b>INTESA SANPAOLO</b>	✓	✓	✓	✓	✓	✓	✓
 <b>UniCredit Group</b>	✓	✗	✗	✓	✓	✓	✓
 <b>BANCO BPM</b>	✓	✗	✓	✓	✗	✓	✗
 <b>UBI Banca</b>	✓	✓	✓	✓	✓	✗	✗
 <b>BPER: Gruppo</b>	✓	✗	✓	✓	✓	✗	✓
 <b>CREDEM</b>	✓	✓	✓	✓	✓	✗	✗
 <b>Banca Popolare di Sondrio</b>	✓	✗	✗	✓	✓	✓	✗
 <b>Credito Valtellinese</b>	✓	✗	✗	✗	✓	✗	✗
 <b>MONTE DEI PASCHI DI SIENA</b> BANCA DAL 1472	✓	✗	✗	✓	✓	✗	✗
 <b>BNL</b> GRUPPO BNP PARIBAS	✓	✗	✗	✗	✓	✗	✗

Strategic partnership with Nexi in respect of payment systems

Sale of Pioneer Investments to Amundi

Ex Banca Italease under disposal

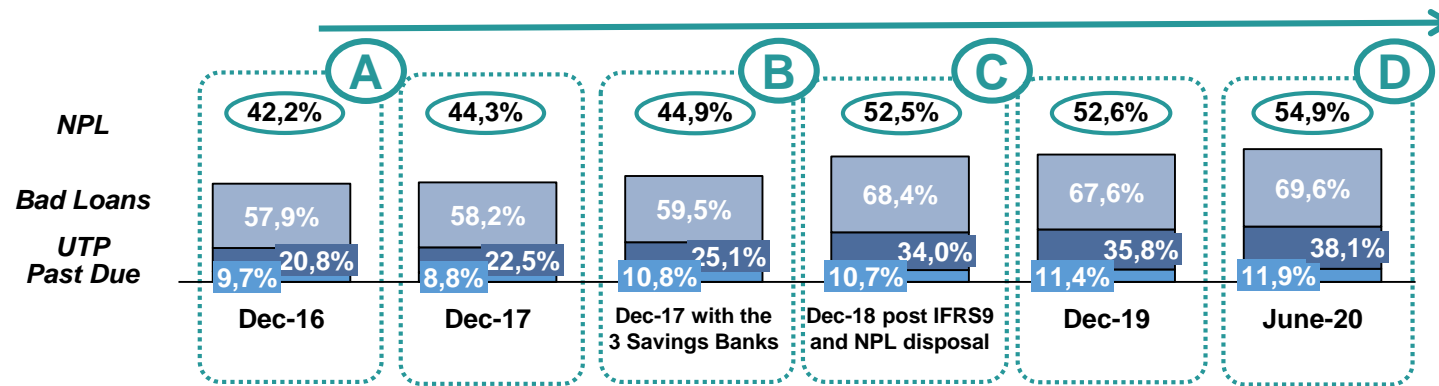
From July-19 controlling interest in Arca holding

salary-and-pension backed loans

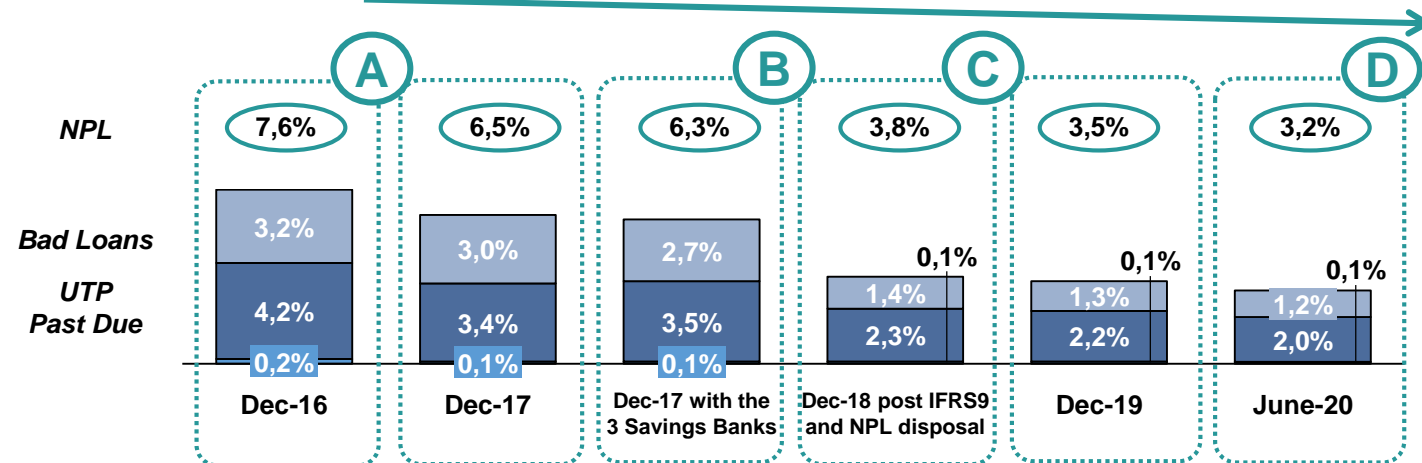
Leasing originated directly by BNL SpA starting May-19



### NPL COVERAGE RATIO (%)



### NET NPL RATIO (% net loans)



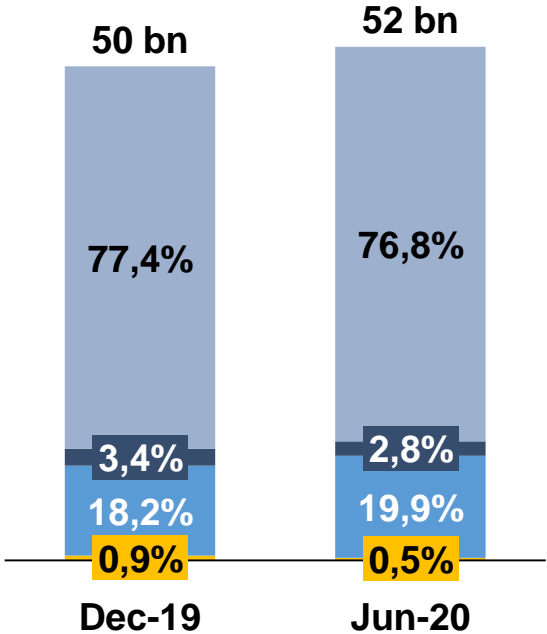
- A** Over the past few years the progressive improvement in asset quality has continued thanks to implemented management actions, along with new processes and procedure, and with small disposals of non performing loans;
- B** The acquisition of the three Savings Banks have positively influenced the asset quality of the Group: it has been acquired the “sound” part of the savings banks in order to exclude the majority of impaired loans;
- C** Adoption of the new financial reporting standard on financial instruments (IFRS9), and - over the year - making a disposal of 1.4bn of gross NPL (26% of total NPLs), achieving a 37% decrease in net non-performing loans vs. December 2017.
- D** Despite market conditions, the net NPL ratio further decreased YoY and came to 3.2%, whereas coverage levels increased coming to 54.9% (up by +2.3pp vs Dec-2019). Prudential non-recurring provisions were set aside amounting to Euro 108 million, mainly due to the revised macroeconomic scenario impacted by Covid-19.





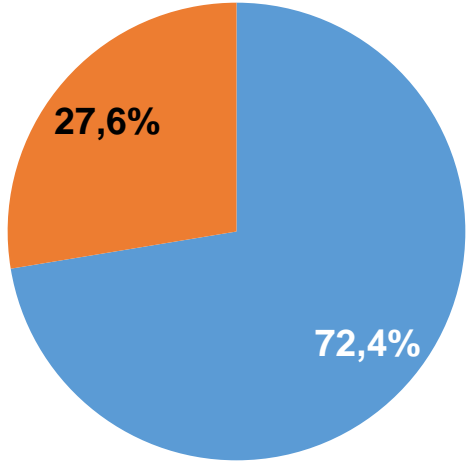
### DIRECT FUNDING - breakdown by product (%)

- Current accounts
- Debt securities issues
- Saving deposits
- Others



### TOTAL ASSETS BREAKDOWN (%)

- Unencumbered eligible assets
- Encumbered eligible assets



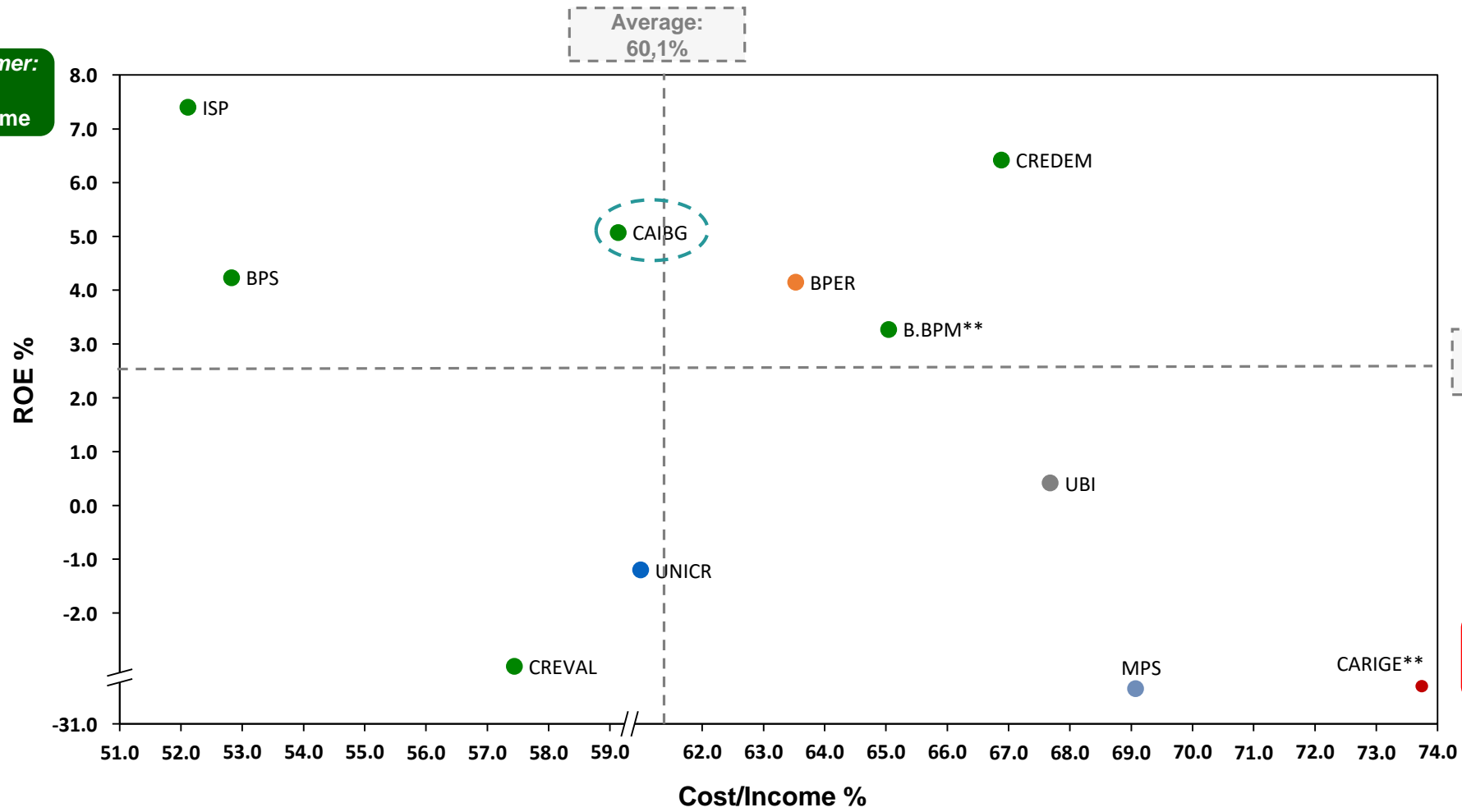


# Crédit Agricole Italia Banking Group Financial Highlights

Crédit Agricole Italia Banking Group: stably among best performers

## ROE and Cost/Income ratios\*: December 2014 – June 2020

**Best performer:**  
 > ROE  
 < Cost/ Income



**Worst performer:**  
 < ROE  
 > Cost/ Income

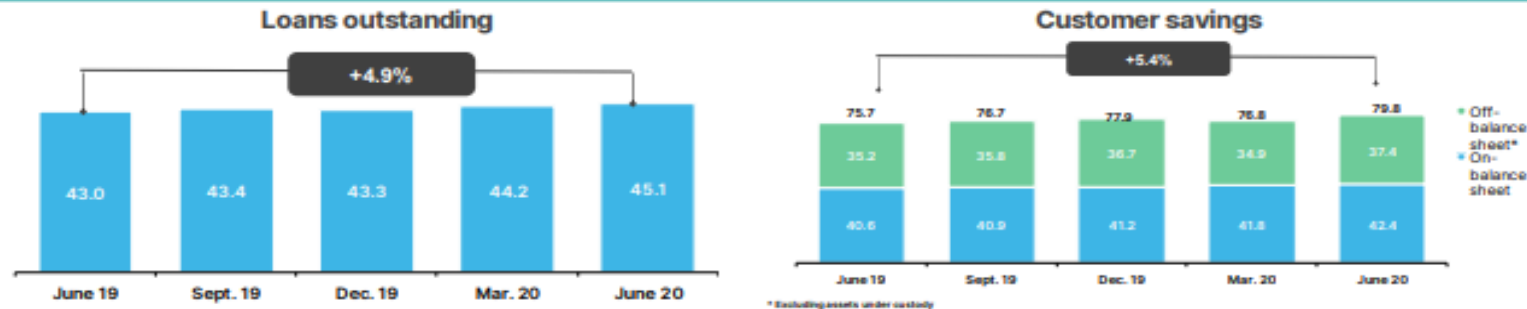
Source: 1H2020 Italian banking groups' results disclosures;  
 \* ROE ratio: equity including net income; Cost/Income excluding contribution to support the banking system; \*\* B.BPM ratios available since 2016, CARIGE ratios available up to 2017.



# Crédit Agricole Italia Banking Group Financial Highlights

30/06/2020 results as disclosed by Crédit Agricole S.A.

## Activity indicators (€bn)



## Loan production and inflows up at the end of the quarter

- **Loans outstanding:** +4.9% June/June, stronger-than-average growth in the sector (+1.4%<sup>(1)</sup>), mainly driven by loans to corporates (in particular the State guaranteed loans: €800m in Q2); Outstanding home loans were stable, with a sharp upturn in new home loans in June. (+26.9% June/April 2020)
- **Buoyant managed inflows** (+5.4% Q2/Q2), rebound in production at the end of the quarter (+95.7% June/April 2020), on-balance sheet deposits (+4.6% June/June)

## Revenues impacted by the crisis, but expenses under control; prudent provisioning

- **Revenues:** Nil impacted by the drop in market rates; fee and commission income returned to the level of January 20
- **Expenses** excluding SRF down Q2/Q2<sup>(2)</sup> <sup>(3)</sup> in particular due to savings on external expenditure and mobility
- Increase in **provisioning**, related to allocations on performing loans, significant strengthening of reserves for proven risks to prepare for disposals of non performing loans; improvement in the NPL ratio (7.4%, -0.3pp Q2/Q2)
- Disposal of a building for a profit of €65m<sup>(4)</sup>

Crédit Agricole S.A. Group in Italy: Net income €257m, -25% H1/H1

<sup>(1)</sup> source Abi, <sup>(2)</sup> 5% decrease in expenses excluding SRF and Covid-related expenses, <sup>(3)</sup> net income H1-20 excluding Covid effects to €77m, <sup>(4)</sup> Gross amount, before tax

Contribution to earnings (in €m)	Q2-20 underlying	Δ Q2/Q2 underlying	H1-20 underlying	Δ H1/H1 underlying
Revenues	431	(10.8%)	875	(6.4%)
Operating expenses excl.SRF	(288)	(2.3%)	(567)	(2.1%)
SRF	(9)	+35.2%	(25)	+14.2%
<b>Gross operating income</b>	<b>133</b>	<b>(26.5%)</b>	<b>282</b>	<b>(15.3%)</b>
Cost of risk	(146)	x 2.4	(229)	+79.1%
Net income on other assets	65	n.m.	66	n.m.
<b>Income before tax</b>	<b>51</b>	<b>(57.2%)</b>	<b>120</b>	<b>(41.9%)</b>
Tax	(17)	(56.4%)	(38)	(42.9%)
<b>Net income</b>	<b>34</b>	<b>(57.7%)</b>	<b>82</b>	<b>(41.4%)</b>
Non controlling interests	(10)	(57.0%)	(23)	(40.4%)
<b>Net income Group Share</b>	<b>25</b>	<b>(57.9%)</b>	<b>59</b>	<b>(41.8%)</b>
<b>Cost/Income ratio excl.SRF (%)</b>	<b>67.0%</b>	<b>+5.8 pp</b>	<b>64.8%</b>	<b>+2.9 pp</b>

- 1 Executive Summary
- 2 Crédit Agricole Italia Banking Group
- 3 Crédit Agricole Italia Banking Group Financial Highlights
- 4 Italian Housing Market**
- 5 Crédit Agricole Italia Banking Group Residential Mortgage Loan Business
- 6 Crédit Agricole Italia OBG Programme
- 7 Appendices
- 8 Contact list

**Deep contraction in sales on 2020 due to the Covid Crisis**

The real estate market at the beginning of 2020 was rather robust. Housing sales had increased by +4.3% in 2019, ending five years of growth in transactions. The health crisis and the containment measures implemented from March 2020 put a stop to this dynamic. During the first half of the year, sales fell by 21%, bringing the level at the end of June to that of 2017. The fall in sales was generalized and symmetrically affected major cities and peri-urban areas. The halt of containment, the support measures that limited the decline in purchasing power combined with the banking sector's still accommodating credit policy helped the property market to recover in Q3. The real estate transactions was back to normal, up +3.1% year-on-year in Q3, from 116,000 in Q2 2020 to 141,000 in Q3, bringing the decline over the first three quarters of the year to +13.9% on a cumulative basis. November forecasts from Nomisma expect a reduction of -17.1% in 2020 in soft scenario that remain the more expected and -18.7% in a hard one. The prospects for 2021 are also marred by the health crisis with a decrease -1.1%. The recovery in sales is expected only in 2022. Investment demand bounce back in 2019, but this phenomenon has been overtaken by the health crisis, with investors' attention once again becoming lukewarm as they wait to measure the effects of the post-pandemic scenario on values.

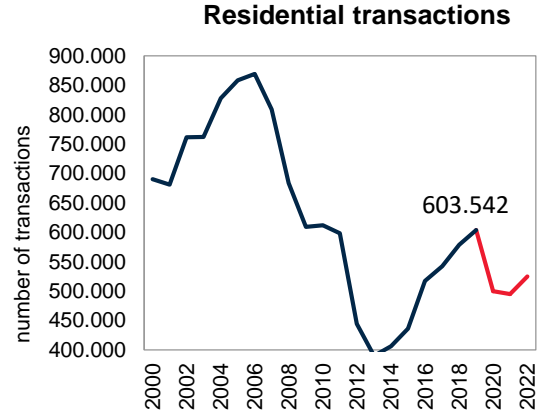
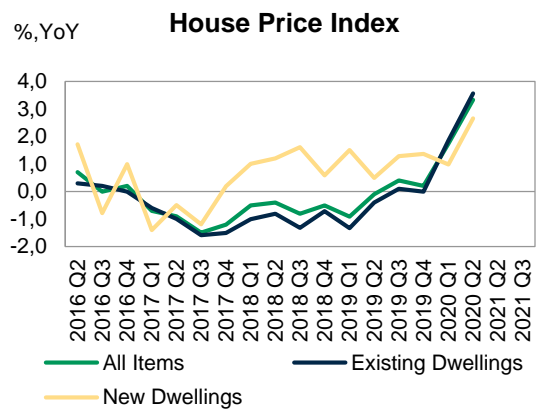
**Prices rises in 2020 but will fall in 2021**

At the same time, the pressure on property prices that had been maintained in Q2 moderated in Q3. The house price index fell -2.5% quarter-on-quarter but rose +1% year-on-year (after +3.3% in Q2 2020). In the first three quarters of 2020, house prices will have increased by +2.0% compared with the same period in 2019. The growth of acquisitions for 2020 is +1.9% (+2.2% for new housing and +1.8% for old housing). This upward momentum should end in 2021, giving way to an inflection in property prices. A tightening of household credit motivated by prudent bank management, fairly contained economic growth in 2021 and still penalized by the health crisis, should fuel deflationary pressure on prices estimated at -1.6%.

**Residential market forecast (Nomisma)**

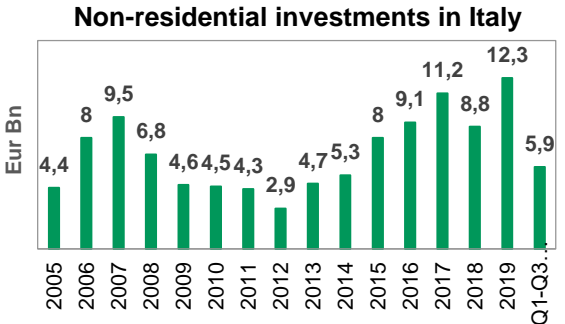
	2019	2020	2021	2022
Transactions	4,3%	-17,1%	-1,1%	6,0%

Sources: Nomisma (november 2020), Crédit Agricole S.A.



Source : Istat, Agenzia delle Entrate, Crédit Agricole

Source : Nomisma, Crédit Agricole S.A.



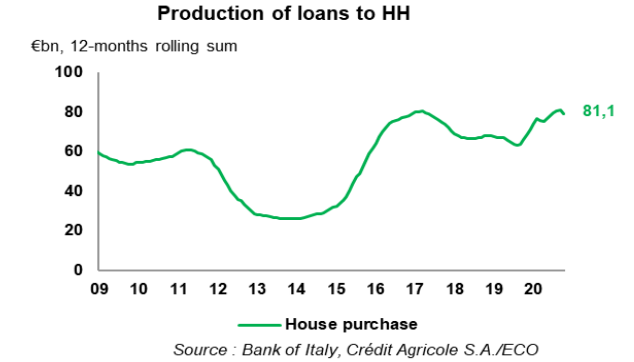
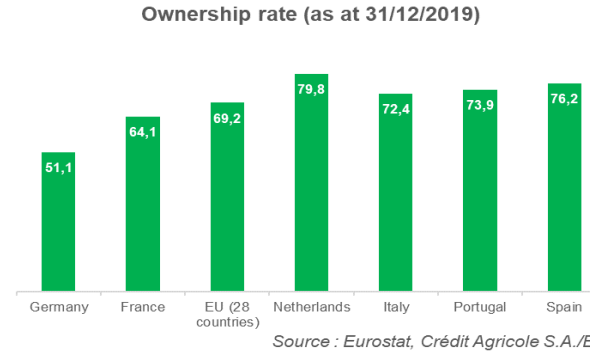
Source : Nomisma, Crédit Agricole S.A.



# Italian Housing Market

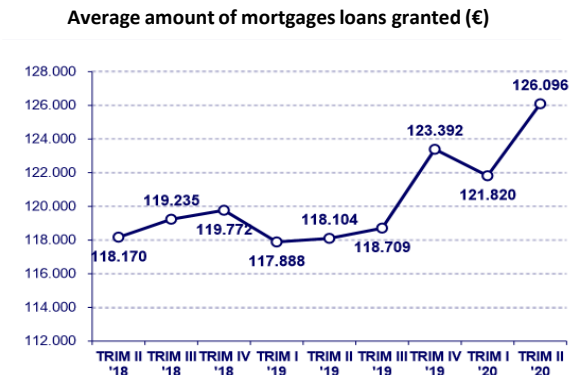
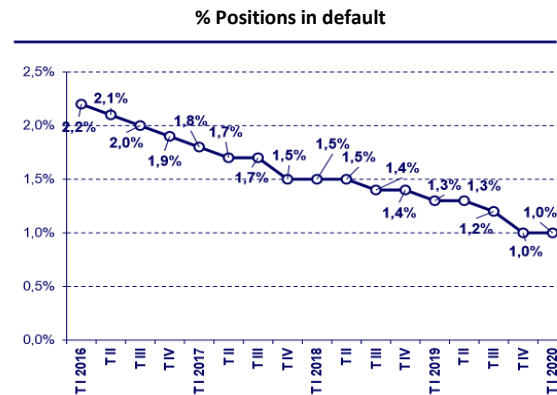
The mortgage loan market stood dynamic despite the crisis

- The Italian mortgage loan market is small compared to that of other European countries : Italy is the third economy in the Euro area but only the fifth mortgage loan market
- The high ownership rate (72.4% at-end 2019) is among the highest in the EU and limits both sales volumes and mortgage loan market growth
- The third quarter of 2020 saw a strong growth in the production of home loans driven by the economic-growth after the lockdown period. It was also allowed by the decrease of interest loans, which stood at a very low level.
  - Despite the Covid crisis, new lending stood at €17,6bn for the Q3-2020, compared to €14,8bn a year ago. The new lending came to €55,4bn for the first nine months of 2020 compared to €45,8bn a year ago.
  - This record in the production was allowed by the interest rates ; they have reached the floor of 1,26% in July.
  - In this context, the fixed-rate mortgage contracts remain clearly predominant: 88.9% at end-May 2020 vs. 74.8% at end-2018 (source: Nomisma).
  - The average amount of mortgages loans granted in Q2-20 was 126 K€, showing a sharp increase since Q4-2019 (source: Crif).
- The level risks in the mortgage loan market have receded to a low level
  - The default rate in Q1-20 reach a low level of 1% (source: Crif).



Consumer HH, npis serving HH and unclas.

NPL by categories												
€Bn	NPL for resident sectors (ex. MFI)			Bad loans			Unlikely-to-pay			Past Due		
	Jun-20	QoQ	YoY	Jun-20	QoQ	YoY	Jun-20	QoQ	YoY	Jun-20	QoQ	YoY
Loans for house purchase	11,7	0,9%	-28,4%	6,1	0,9%	-28,4%	4,9	1,8%	-5,2%	0,7	16,0%	44,3%



- 1 Executive Summary
- 2 Crédit Agricole Italia Banking Group
- 3 Crédit Agricole Italia Banking Group Financial Highlights
- 4 Italian Housing Market
- 5 Crédit Agricole Italia Banking Group Residential Mortgage Loan Business**
- 6 Crédit Agricole Italia OBG Programme
- 7 Appendices
- 8 Contact list

# Crédit Agricole Italia Banking Group Residential Mortgage Loan Business Highlights

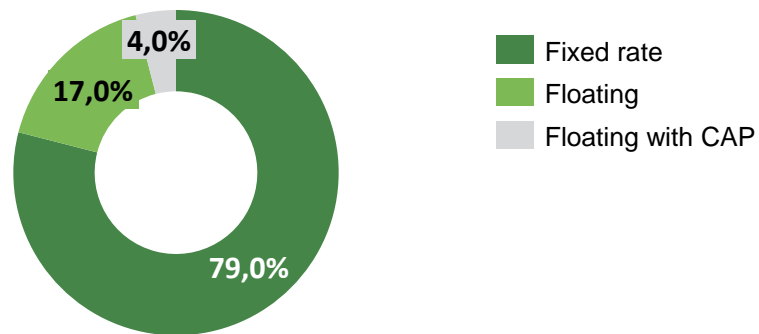
## CA Italia Banking Group, a significant player in Italian residential financing:

- €20.3bn stock of residential mortgage loans on 30/06/2020 (-3,3% vs December 2019)
- €1.5bn residential mortgage loans' production on 30/06/2020 -4,8% YoY (-10,1% YoY in transactions)
- Market share of ca. 5.39%\* of stock and ca. 5.34%\* of flow in June 2020

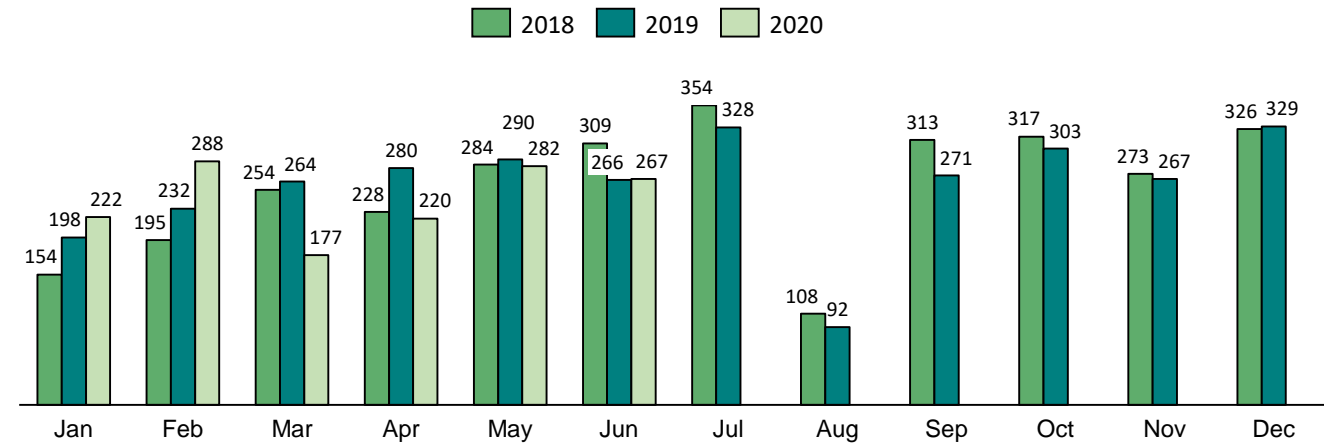
## CA Italia Banking Group mortgage loans risk level:

- Mortgage deed registration: 1st level mortgage deed registered is 150% of the loan amount
- On 30/06/2020, 0.9% of net non-performing loans (bad loans + UTP + past due); 0.4% of net bad loans ("sofferenze")
- Mortgage NPL coverage ratio at 26,9% on 30/06/2020

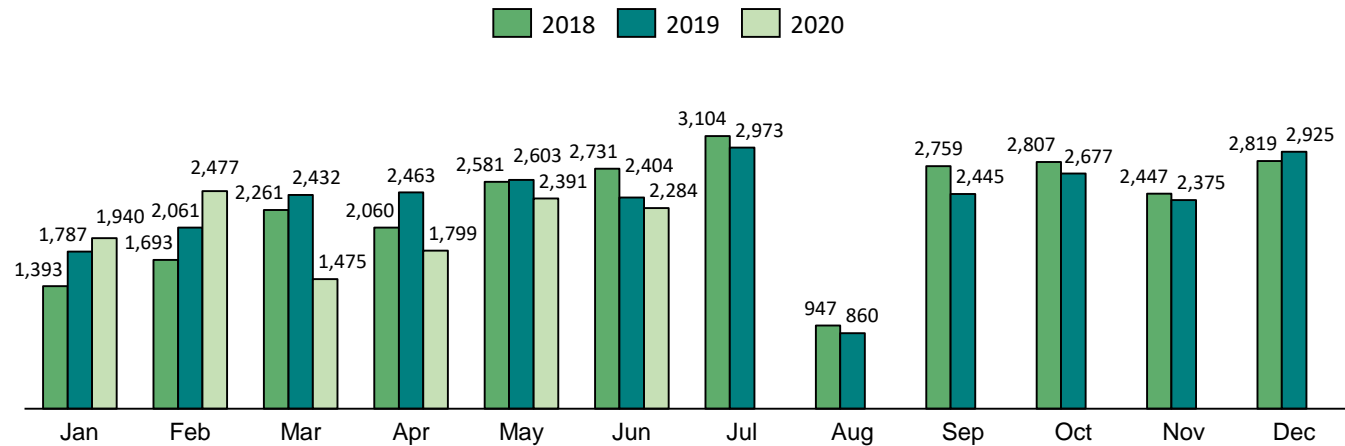
## 1H2020 new residential mortgage loans interest rate type



## New gross mortgage loans (volumes in million)



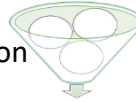
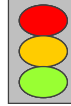


## New mortgage loans (number of transactions)



# Crédit Agricole Italia Banking Group

## Credit Policy – Framework and guidelines

Cluster	Main Driver		Strategy
Private/ Customers	Counterparty risk	Rating 	Diversified approach by product <ul style="list-style-type: none"> <li>✓ Mortgage loans</li> <li>✓ Loans</li> <li>✓ Others</li> </ul>
	Borrower's characteristics	<ul style="list-style-type: none"> <li>✓ Income (and guarantees)</li> <li>✓ Installment / Income</li> <li>✓ LTV (Loan to value) and LTC (Loan to building cost)</li> <li>✓ Age</li> </ul>	
Companies / Public Entities	Counterparty risk	Rating 	Cluster Identification 
	Economic sector	Attractiveness and riskiness	Customized strategies by cluster 
	Size	Commercial segmentation	Specialized lending by segment

- **Credit Policy by PEF** (Pratica elettronica di fido) approval system
- **Origination process changes according to the complexity of the position**
- **Constraints inversely related to borrower's risk profile** based on his rating

### Forthcoming Guidelines

- **New PEF (Pratica Elettronica Fido):** more efficient and effective;
- **Greater segmentation and specialized lending.**



# Crédit Agricole Italia Banking Group

## Credit Policy – Focus Forthcoming Guidelines

The New PEF associated with the Credit Policies allows, through a fully integrated workflow, to define a new loan origination aligned with the Group's risk appetite. Each commercial segment is associated with specific guidelines in relation to technical forms, duration of each financing transaction, as well as the acquisition of suitable instruments for mitigating credit risk.

### New Workflow

#### STRUCTURE

- Synthetic set of information on the applicant (screening) from sources within the Bank

#### PRE- INVESTIGATION

- Automatic recovery of credit lines already approved
- Entry of a new line of credit

#### FINANCIAL REPORT

- Entry and validation of financial statement information

#### APPLICATION

- Print loan application
- Print the necessary document checklist

#### INVESTIGATION

- Finalization of the procedure by analyzing Financial Statements and Credit Register
- Completion of document checklist and data collection from external sources

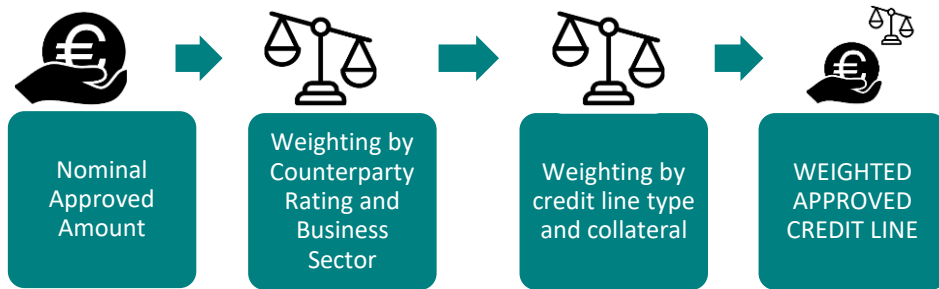
#### PROPOSAL / APPROVAL

- Calculation of the resolution process
- Assessment of the dossier

Category	Rationale	Main Drivers
Type of counterparty and / or transaction	Differentiation of strategies in line with the specificities of individual customer segments / type of transaction	<ul style="list-style-type: none"> <li>▪ <b>definition of KRI</b> to measure alignment with the Group's risk appetite</li> <li>▪ <b>clustering</b> of policies according to the <b>specificity of the counterparties</b></li> </ul>
Economic sector	Sector risk profile identified by the combination of average PD and prospective outlook	<b>5 Cluster</b> <ul style="list-style-type: none"> <li>• Attractive</li> <li>• Moderately Attractive</li> <li>• Medium risk</li> <li>• Risky</li> <li>• Under surveillance</li> </ul>
KPI	Full coherence between risk appetite and concession instruments	<b>Centrality</b> of the <b>weighted approved amount</b> logics, fully integrated into the New PEF application

## FRAMEWORK

The Credit Policies (planned for the second half of 2021) integrated into the new PEF will determine **the weighted approved amount** (the Result of **weighting** the nominal approved amount to reflect the **specific counterparty risk**, the attractiveness of **the sector and the structure - type of credit line**) and, applying quality and quantities guidelines differentiated by customer segments and/or type of technical form, the alignment of the new production to the Group’s risk appetite.



It is a risk indicator related to the concept of “approved credit line”, but weighted taking into account both risk indicators and credit policies. It guides the automatic identification of the Decision-Making Body

Weight Factor

$$\text{Weight Factor} = \frac{\text{Weighted Approved Amount}}{\text{Nominal Approved Amount}}$$

Credit Line proposal

Weight Factor

- ≤ 100%: aligned ✓
- between 100% and 130%: not fully aligned ⚠
- ≥ 130%: not aligned ✗



Different «Rulebook» by type of counterparty and segment



*Level of alignment to the Group’s Risk Appetite and differentiated deliberative paths with progressive centralization of the exceptions*

# Crédit Agricole Italia Banking Group Residential Mortgage Loan Business

Well-established selection and risk management processes (1/2)



## STEPS OF THE PROCESS

## ACTIVITIES

## DESCRIPTION OF THE PROCESS

## FOCUS

Sale

*Full transparency and tailor-made commercial offer to Customers*

**Supported sale** and automated production of documentation

*Sales\* 30/06/2020:*  
48% Branches; 32% Intermediary; 20% On Line

Origination

*Customer Registration and preliminary checks*

- Supported workflow with **mandatory steps and completeness and adequacy checks** of the entered data
- **Integrated Workflow with Crédit Agricole Italia's procedures** and related checks

*Lending Criteria:*

- Maximum borrower's age 75 years
- Maximum tenor of 30 years (average maturity stock mortgage loans 21.9 years, average maturity new mortgage loans 21.3 years)
- Installment\*\* \ Net income ratio <30% (higher levels will be evaluated by superior deliberative levels)
- LTV standard <80%\*\*\*, <50% in case of restructuring, Not residential buildings

*Automated mortgage loan application*

- The bank
  - 1) performs analysis on databases (CRIF, CERVED; DATABANK);
  - 2) checks compliance with credit policy;
  - 3) carries out the calculation of an acceptance rating, defining automatically the approval risk level (synthetic assessment) through the same tool (PEF);

PEF assigns to customers a synthetic assessment summarized by three categories

1. **Positive:** possible forwarding to the decision-making organ
2. **To evaluate:** it's necessary an higher level of analysis
3. **To deepen:** it required further documentation in order to improve the credit worthiness

*Approvals 30/06/2020:*

12% branch level  
60% Regional level  
28% Central level

Approval

*Display PEF outputs and automated updating*

Identification of the decision making organ according to the level of risk through PEF's score.

# Crédit Agricole Italia Banking Group Residential Mortgage Loan Business

Well-established selection and risk management processes (2/2)



STEPS OF THE PROCESS	ACTIVITIES	DESCRIPTION OF THE PROCESS	FOCUS
<p>Implementation</p> <p>Conclusion</p> <p>Lending</p>	<p><i>Property appraisal</i></p> <p><i>Insurance contract</i></p>	<ul style="list-style-type: none"> <li>▪ <b>Automated contract's documentation</b> with integrated checks</li> <li>▪ <b>Property valuation:</b> the asset is always subject to a technical physical appraisal</li> <li>▪ Property must be <b>insured</b> against the risks of fire, lightning and explosion (Home Protection Insurance). In addition, 90% (al 30/06/2020) of mortgages bear a creditor protection, even if the subscription is not mandatory</li> </ul>	<p>Property valuation companies:</p> <ul style="list-style-type: none"> <li>▪ Crif</li> <li>▪ Cerved</li> <li>▪ Prelios</li> <li>▪ Revaluta</li> </ul>
<p>Filing System</p>	<p><i>Digital Filing System</i></p>	<ul style="list-style-type: none"> <li>▪ Actually 100% digital dossier, digital contract and digital storage</li> </ul>	
<p>Property Value's Surveillance</p>	<p><i>Fair Value Assesment</i></p>	<ul style="list-style-type: none"> <li>▪ The value of the property is checked through statistical methods (<b>Nomisma Indexes</b>) once a year</li> <li>▪ If statistical method shows a significant variation with the previous period, a new appraisal is carried out</li> </ul>	

- 1 Executive Summary
- 2 Crédit Agricole Italia Banking Group
- 3 Crédit Agricole Italia Banking Group Financial Highlights
- 4 Italian Housing Market
- 5 Crédit Agricole Italia Banking Group Residential Mortgage Loan Business
- 6 Crédit Agricole Italia OBG Programme**
- 7 Appendices
- 8 Contact list

# Crédit Agricole Italia OBG Programme

## Structural features and structure overview

### The Programme

- €8bn Covered Bond Programme: first issue in July 2013, with a €2.7bn retained issue (liquidity reserves)
- November 2014: €2.7bn retained issue partially cancelled (€1.5bn); December 2014: € 1.0bn market issue 7 year maturity
- September 2015: € 1.0bn market issue 7 year maturity
- October 2016: Double tranche market issue of € 0.75 bn each, maturity of 8 and 15 years
- March 2017: Double tranche market issue of € 0.75 bn each, maturity of 8 and 12 years; December 2017: € 0.75bn market 8 year maturity
- January 2018: € 0.5bn market issue 20 year maturity
- Programme extended to 16bn
- March 2019: Market issue maturity of 8 years and retained issue of € 0.75bn each
- January 2020: Double tranche market issue of €0.50 bn with 8 year maturity and €0.75 bn with 25 year maturity; April 2020: retained issue of €0.50 bn with 4 year maturity; July 2020: expiry of the first retained issue(€ 1.2 bn) and retained issue of € 0. 5bn
- Currently outstanding: €1.75 bn retained OBG; €8.25 bn market OBG
- Current rating: Aa3 from Moody's

### Cover pool

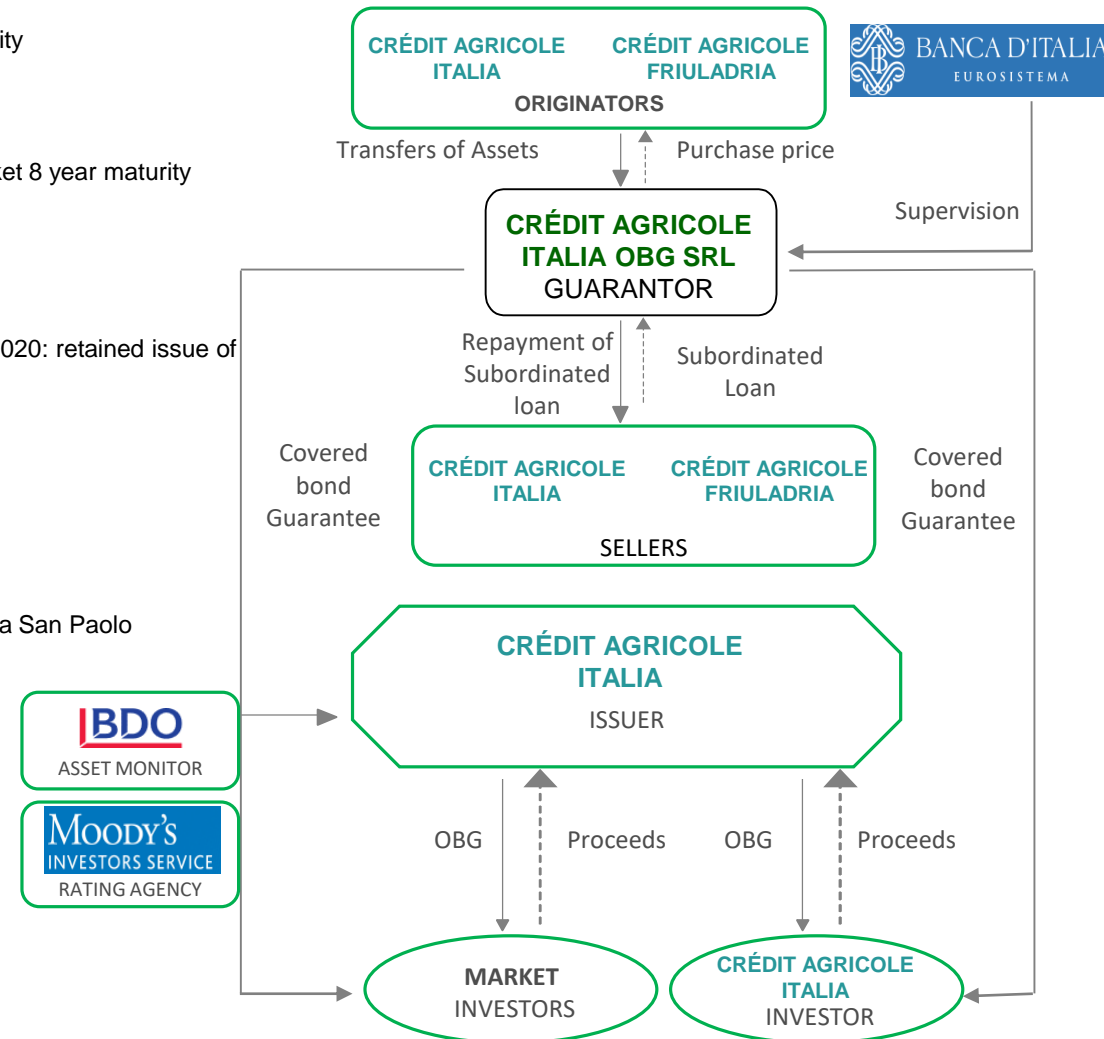
- Mortgage loans transferred to Crédit Agricole Italia OBG srl
- Self-originated mortgage loans by Crédit Agricole Italia Banking Group and originated by branches purchased from Intesa San Paolo
- Property located in Italy
- No arrears on the transfer date
- Current cover pool:85% residential mortgage loans and 15% substitute assets\* (cash)
- No ABS and commercial mortgage loans (by prospectus)

### Over-collateralisation

- 7.5% committed over-collateralisation (OC)
- 14.83% at June 2020

### Monitoring

- BDO Italia: Asset Monitor reporting to Bank of Italy



## ■ Interest rate exposure

- Cover pool is composed by 5.8bn of floating rate and 4.7bn fixed rate
- Floating rate for €2.45bn retained OBG (soft bullet)
- Fixed rate for €8.25bn market OBG (soft bullet)

## ■ Asset and liabilities matching controls

### Semi annual regulatory stress tests

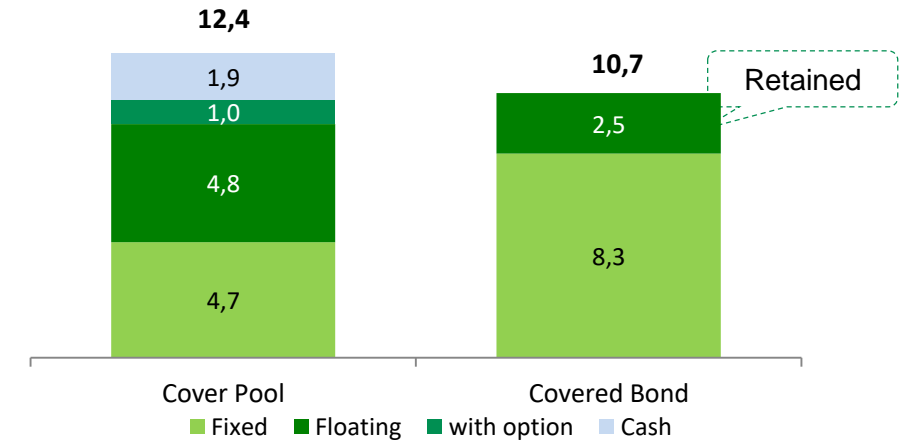
- Nominal Value Test
- Net Present Value Test
- Interest Coverage Test
- Amortisation Test\*

### Additional internal controls

- Quarterly monitoring based on cash flow model to check timely payment of OBG with cash from cover pool including over-collateralisation

\*To be performed only post OBG Guarantor event of default

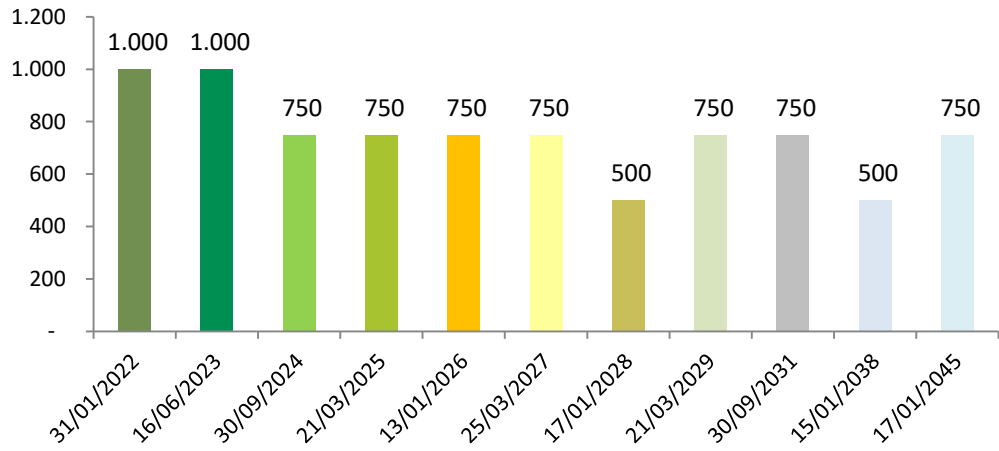
### Interest rate breakdown (bn€)\*\*



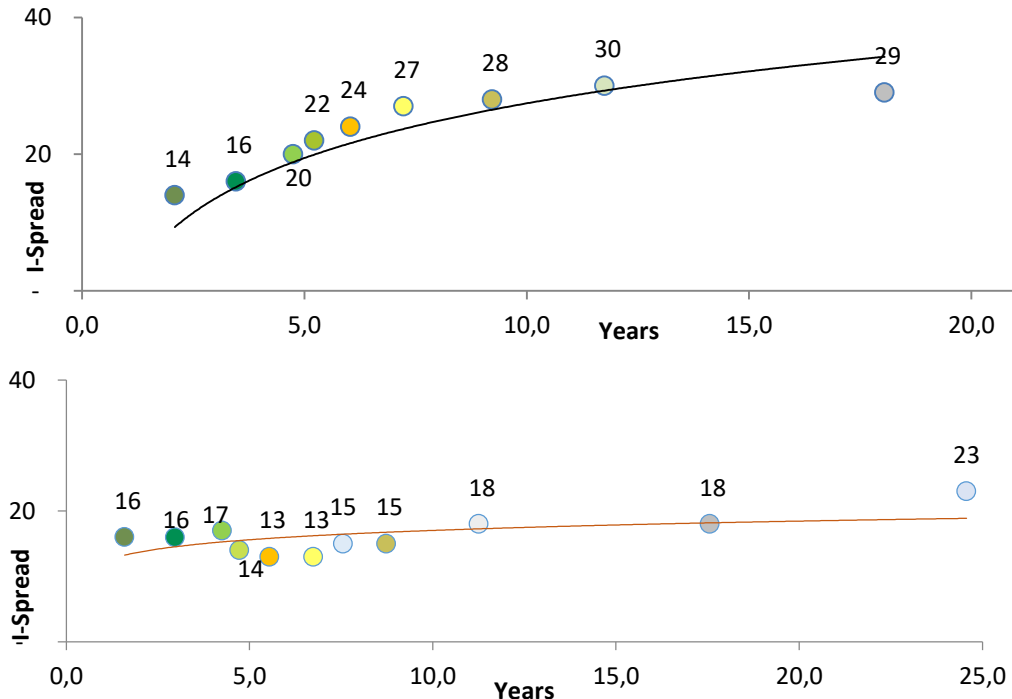
*Ancient loans with option: Customers have the right to switch at any time from fixed to floating rate (and vice-versa) at the market rate of the moment*

\*\* Updated at 30th June 2020

## OBG Outstanding Maturities



## I-Spread (bps) June 2020 vs December 2019



— Dec 2019 130 bps: Spread between BTPS 2045 and CAI Banking Group covered bond 25y (as at 17 January 2020)

— Jun. 2020 184 bps: Spread between BTPS 2045 and CAI Banking Group covered bond 25y

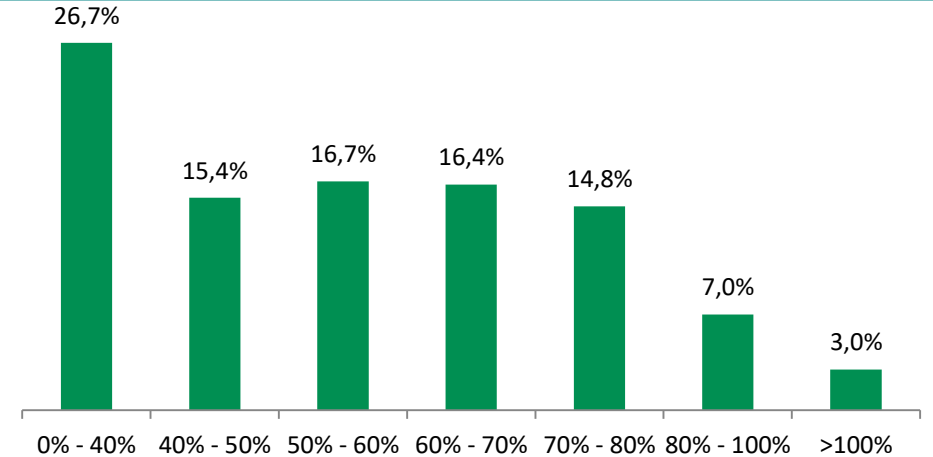


# Crédit Agricole Italia OBG Programme

Cover Pool at 30/06/2020 (1/3)

<b>Total mortgage outstanding cover pool</b>	10.419.770.133
<b>Substitute Assets (Cash)</b>	1.866.974.628
<b>Number of loans</b>	124.296
<b>Average loan balance</b>	83.830
<b>WA Seasoning (month)</b>	62
<b>WA Remaining term (month)</b>	215
<b>WA CLTV (Current Loan to Value)</b>	54,86%
<b>Interest rates of credit pool</b>	44.9% fixed 9.3% with option 45.8% floating
<b>Origination</b>	100% Crédit Agricole Italia Banking Group (details below)

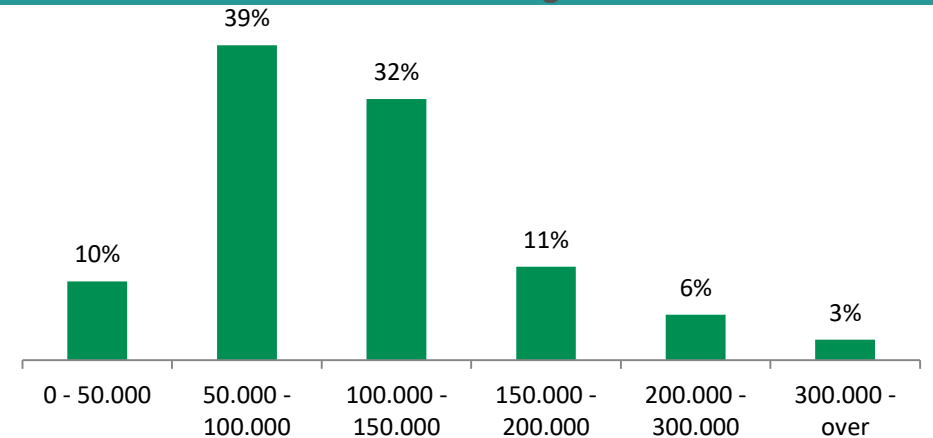
## Breakdown by CLTV as % of outstanding amount



## Origination by banks (% of outstanding amount)

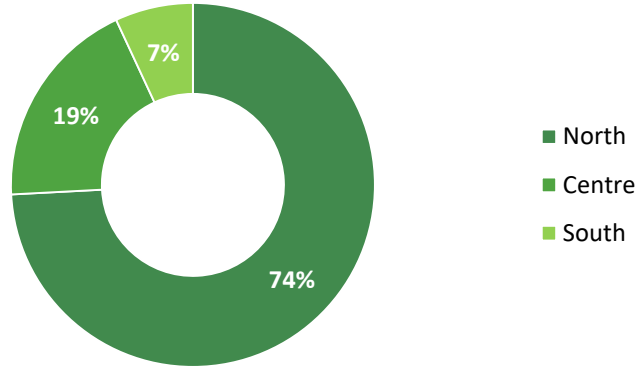
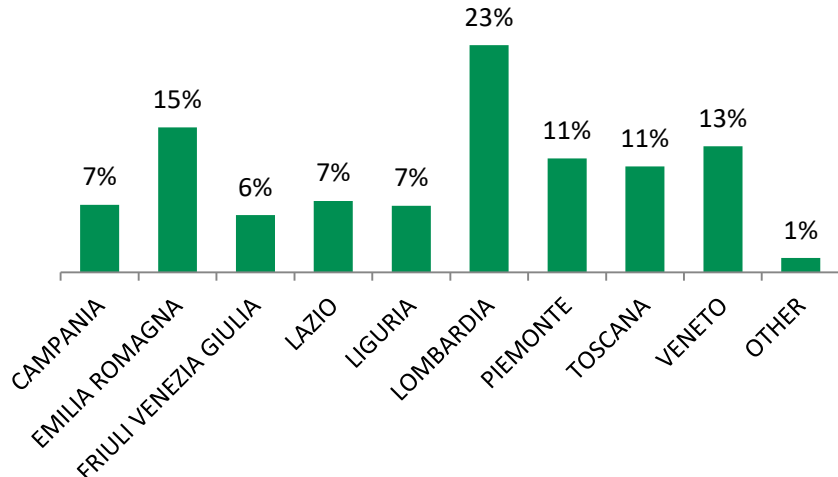


## Breakdown by outstanding amount as % of outstanding amount

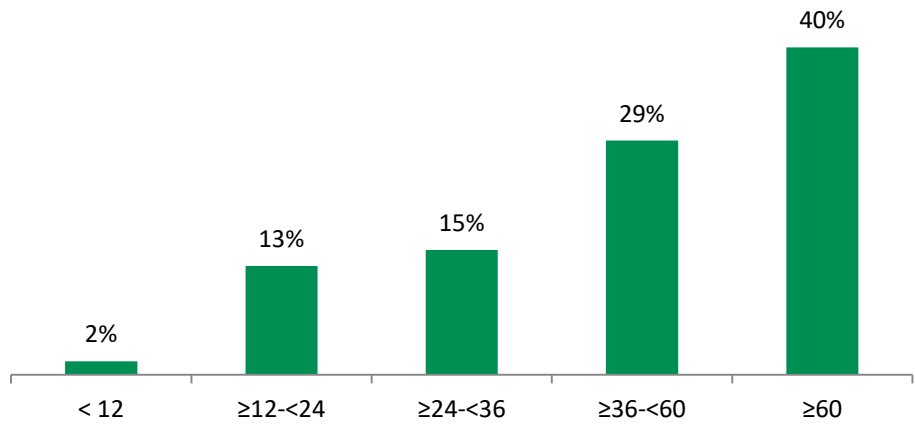




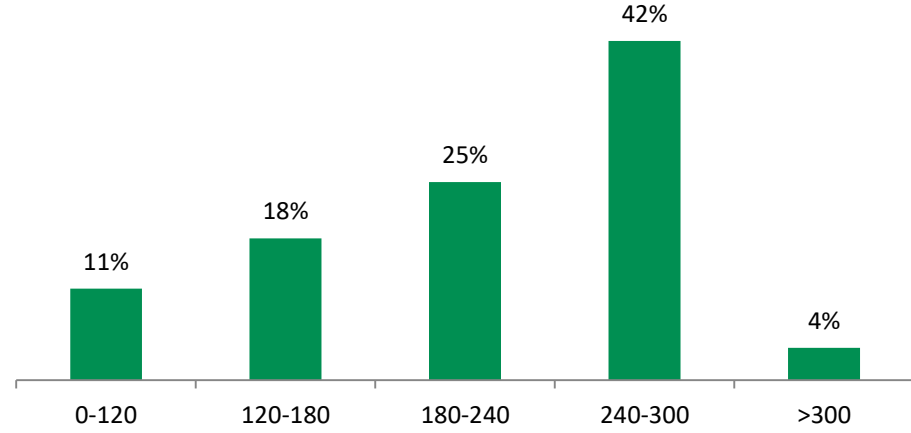
**Breakdown by region as % of outstanding amount**



**Breakdown by seasoning (months) as % of outstanding amount**



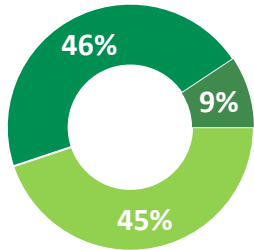
**Breakdown by remaining (months) as % of outstanding amount**



# Crédit Agricole Italia OBG Programme

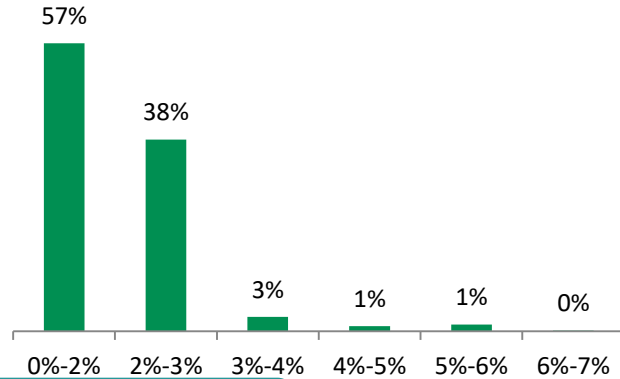
## Cover Pool at 30/06/2020 (3/3)

Interest type as % of outstanding amount

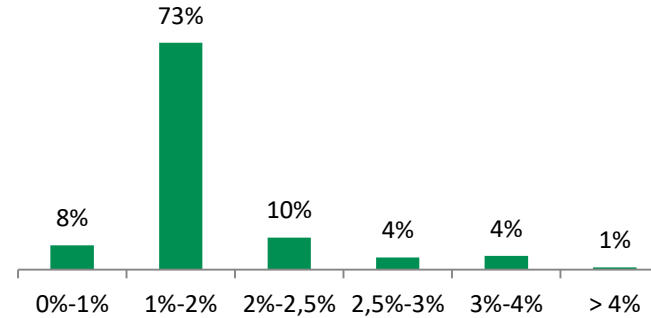


■ Fixed ■ Floating ■ With option

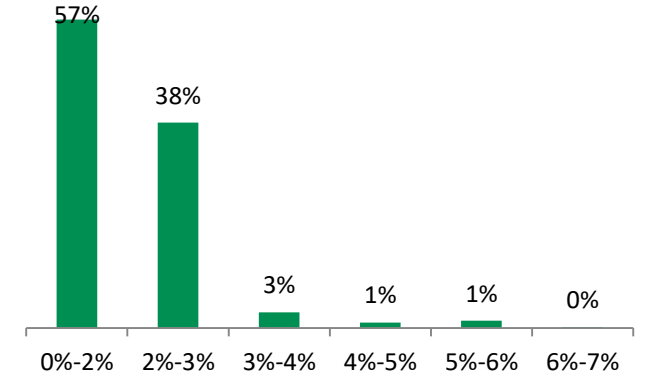
Breakdown fixed interest as % of relevant fixed rate outstanding amount



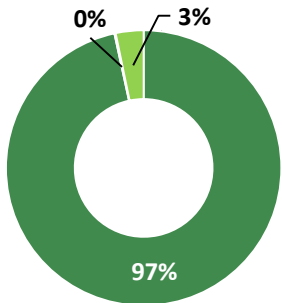
Breakdown "with option", margin on Euribor 3M as % of relevant with option outstanding amount



Breakdown floating rate margin on Euribor 3M as % of relevant floating rate outstanding amount



Payment type as % of outstanding amount



■ Direct Debit ■ Cash ■ Standing Order (RID)

### Cover pool mortgage loan performance

- Loans in Arrears > 90 days: 0.46% of total Cover Pool (vs. 0.15% at 31.12.19)
- Total Loans in Arrears: 4,0% of total Cover Pool (vs. 3.4% at 31.12.19)
- No Bad Debts\* in the Cover Pool: they are bought back on a monthly basis

Issuer	Crédit Agricole Italia
Originator	Crédit Agricole Italia (CA Carispezia merged at the end of July 2019), Crédit Agricole FriulAdria
Guarantor	Crédit Agricole Italia OBG S.r.l.
Arranger	CA-CIB
Representative of CB holders	Zenith Service S.p.A.
Asset Monitor	BDO Italia
Rating	Aa3 from Moody's
TPI LEEWAY (Moody's)	2 Notches
Listing	Luxembourg Stock Exchange
Programme Amount	€16bn
Cover Pool	Italian residential mortgages only
Governing Law	Italian Law
Maturity	Soft bullet with 12 month extension period
LCR	LCR compliant, Level 1 asset
Covered Bond Label	Yes
Risk Weighting (Standard Approach)	10%
Outstanding OBG	Series 1: €1.2bn retained (Expired in July 2020) Series 2: €1.0bn Series 3: €1.0bn Series 4: €0.75bn Series 5: €0.75bn; Series 6: €0.75bn Series 7: €0.75bn Series 8: €0.75bn Series 9: €0.5bn; Series 10 €0.75bn retained; Series 11 €0.75bn; Series 12 €0.5bn; Series 13 €0.75bn ; Series 14: €0.5bn retained; Serie 15: €0.5bn retained

# Crédit Agricole Italia OBG Programme

## Italian Covered Bond legal framework



<b>Name of the instrument</b>	Obbligazioni Bancarie Garantite (OBG)
<b>Legislation</b>	Law 80 14/5/2005 amending art 7-bis of Law 130/1999; Ministry Finance & Economy regulation 310 dated 14/12/2006 and Bank of Italy instructions issued 17/5/2006
<b>Asset Ring-fencing</b>	Cover assets are segregated by law after the transfer to a separate entity
<b>Integration Assets</b>	Substitute Assets (deposits < 1yr) up to 15% of cover assets
<b>Main eligibility criteria for assignment</b>	EEA and Switzerland, LTV 80% for residential mortgage loans (60% for commercial mortgage loans)
<b>Inclusion of hedge positions</b>	Hedge positions are part of structural enhancements intended to protect bondholders
<b>Mandatory Tests</b>	The Nominal Value (NV) of the Cover Pool must be at least equal to the NV of the outstanding OBG The NPV of the cover pool must be at least equal to the NPV of the outstanding OBG Interest deriving from the Cover Pool must be sufficient to cover interest due under the OBG Loans in arrears for more than 90 days must be excluded from mandatory tests
<b>1st claim on the Cover Pool in the event of insolvency of the Issuer</b>	In case of issuer's default, OBG holders benefit from a priority claim on the assets included in the Cover Pool for all payments due under the covered bond
<b>Bankruptcy remoteness</b>	In case of issuer's insolvency, the OBG are not accelerated
<b>Dual Recourse</b>	Dual recourse both on the issuer and on the Cover Pool In case of issuer's default and if the cover pool is insufficient for all payments due under OBG, OBG bondholders have a claim against the issuer ranking pari passu with the issuer's unsecured creditors
<b>Over-collateralisation</b>	Minimum over-collateralisation required to comply with the mandatory coverage tests
<b>Controls</b>	Supervision by Bank of Italy; Ongoing controls by the asset monitor (including controls of mandatory tests)
<b>Compliant with UCITS 52 (4) and CRR</b>	Yes

- 1 Executive Summary
- 2 Crédit Agricole Italia Banking Group
- 3 Crédit Agricole Italia Banking Group Financial Highlights
- 4 Italian Housing Market
- 5 Crédit Agricole Italia Banking Group Residential Mortgage Loan Business
- 6 Crédit Agricole Italia OBG Programme
- 7 Appendices**
- 8 Contact list

### **Mortgage Loan Eligibility Criteria (at the transfer date)**

Receivables deriving from Mortgage loan contracts :

- 1) which are Residential Mortgage Loans having a weighted-risk below 35% (standard approach) and LTV at transfer time below 80%;
- 2) governed by Italian law;
- 3) no installments due and unpaid for more than 30 days;
- 4) seasoning: borrower has paid at least the 1<sup>st</sup> installment in respect of the Loan;
- 5) pre-amortisation period fully elapsed ;
- 6) denominated in Euro;
- 7) which do not allow limitations on transfer;
- 8) debtor is a person resident in Italy and belongs to the economic category of consumer families;
- 9) secured by first level mortgage deed registration;
- 10) current principal balance exceeds €2,000;
- 11) underlying property is located in Italy;
- 12) excluding mortgage loans in relation to which the payment of the installments (including the principal component and the interest component) (i) shall be subject to a moratorium still in progress, or (ii) has been subject to moratorium and, despite the moratorium being over, accrued interest during the period of moratorium has not yet been fully paid;
- 13) excluding mortgage loans to debtors classified as doubtful;
- 14) excluding ABS and commercial mortgage loans.

**The Italian banking system is challenged by a high level of non-performing loans concentrated within certain banks**

**Specific regulatory measures:**

- **DTAs (August 2015)** - Tax deductibility of loan losses has gone from 5 years\* to 1 year, in order to allow for the complete write-off of current stock of deferred tax assets



- **Fondo Interbancario di Tutela dei Depositi (November 2015)** – on voluntary basis, can initiate interventions in support of participating banks in special administration or failing or likely to fail, in accordance with the specific conditions provided for in the regulations (Tercas)
- **Single Resolution Fund (November 2015)** - part of the Single Resolution Mechanism (SRM - CR Ferrara, Banca Etruria, Banca Marche, CariChieti)
- **Garanzia Cartolarizzazione Sofferenze (GaCS – January 2016)** - **guarantee for senior tranches of securitised NPLs**, guarantee will be issued upon request of banks, which in turn have to pay a regular commission to the Treasury. Price of the guarantee will reflect the market price in order to ensure the state aid-free nature of the scheme.

The State will guarantee only senior tranches of the asset-backed security which have received a rating equal to or higher than Investment Grade by a rating agency qualified by the ECB

- **Atlante Fund (April 2016)** – supporting the recapitalisation of Italian banks and transactions for the sale of NPLs through the purchase of *junior* tranches
- **Bureaucracy simplification and streamlining procedures for accelerating the timing for credit recovery (June 2016)**
  - New on-line civil court proceedings to decrease the average time for a civil court decisions to 367 days
  - Creation of special tribunals for business disputes, with 80% managed within 1 year
  - «Marciano Pact»: the non-payment by a business owner extended beyond 9 months from the due date of at least three monthly installments provides for the out-of-court assignment of real property used to collateralise financing to the creditor
- **Atlante Fund 2 (August 2016)** – provides support for the sale of NPLs by Italian banks through the purchase of *mezzanine* and *junior* tranches
- **Fondo Interbancario di Tutela dei Depositi (November 2018)** - voluntary intervention scheme of the Italian Interbank Deposit Protection Fund (FITD) in support of Banca Carige which was placed under special administration in January 2019
- **GACS (May 2019)** – authorized an extension until May 2021 of public guarantee for the securitization of non-performing loans



The Covered Bond Programme of Crédit Agricole Italia is eligible to obtain the preferential treatment pursuant to Article 129 of CRR:

- collateralised (pursuant to paragraph 7 off Article 129 of CRR) by:
  - residential property up to the lesser of the principal amount of the liens that are combined with any prior liens and 80 % of the value of the pledged properties and
  - exposures to institutions that qualify for the credit quality step 1 as set out in this Chapter\*. The total exposure of this kind shall not exceed 15 %\*\* of the nominal amount of outstanding covered bonds of the issuing institution. Exposures to institutions in the Union with a maturity not exceeding 100 days shall not be comprised by the step 1 requirement but those institutions shall as a minimum qualify for credit quality step 2 as set out in this Chapter\* (Short Term at least equal to P-2)
- Rating: Aa3 (credit quality step 1 pursuant to paragraph 4 off Article 129 of CRR)
- Transparency (pursuant to paragraph 7 off Article 129 of CRR): provided that the institution investing in the covered bonds can demonstrate to the competent authorities that:
  - a) it receives portfolio information at least on:
    - i. the value of the cover pool and outstanding covered bonds
    - ii. the geographical distribution and type of cover assets, loan size, interest rate and currency risks
    - iii. the maturity structure of cover assets and covered bonds, and
    - iv. the percentage of loans more than 90 days past due
  - b) the issuer makes the information referred to in point (a) available to the institution at least semi-annually

\* CRR – Part Three – Title II – Chapter 2

\*\* exposures caused by transmission and management of payments of the obligors not be comprised in calculating the limits referred to in this points

# Access to the reserved section of the web site

1 <http://gruppo.credit-agricole.it/>



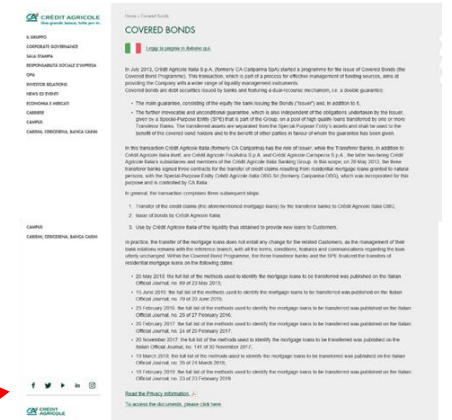
2 For the Covered Bond Section Click on the link: "Investor Relations"



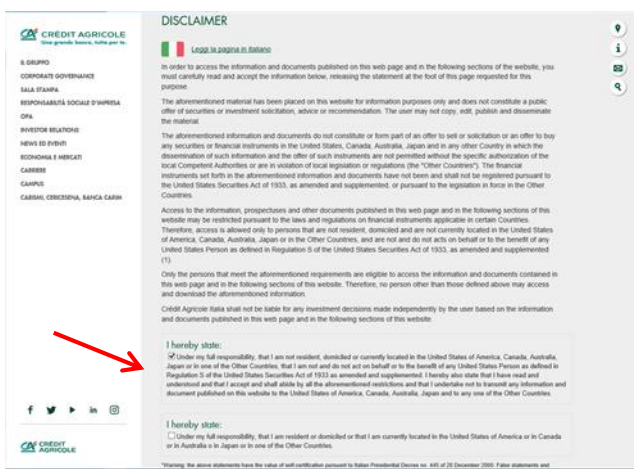
3 Click on "Covered Bond"



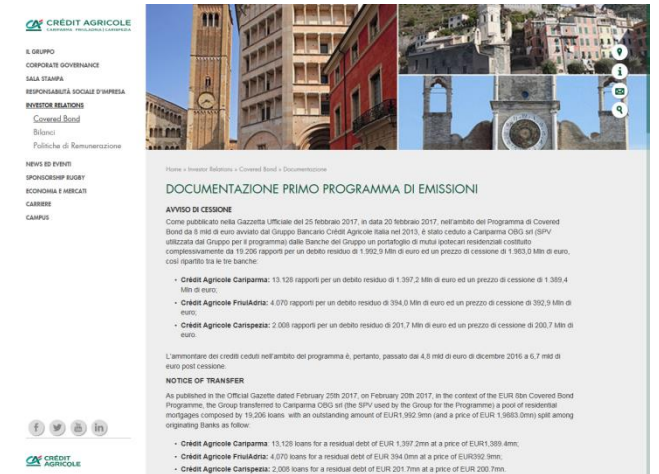
4 Click on "To access the documents, please click here" at the end of the site



5 Click here to insert the flag in the first bottom



**NOW YOU ARE IN THE RESERVED SECTION**



- 1 Executive Summary
- 2 Crédit Agricole Italia Banking Group
- 3 Crédit Agricole Italia Banking Group Financial Highlights
- 4 Italian Housing Market
- 5 Crédit Agricole Italia Banking Group Residential Mortgage Loan Business
- 6 Crédit Agricole Italia OBG Programme
- 7 Appendices
- 8 Contact list**

**Stefano Marlat**  
Head of Financial Management

+39 0521 913 306  
[stefano.marlat@credit-agricole.it](mailto:stefano.marlat@credit-agricole.it)

**Arturo Cerbone**  
Financial Management

+39 0521 913 179  
[arturo.cerbone@credit-agricole.it](mailto:arturo.cerbone@credit-agricole.it)

**Giuseppe Ammannato**  
Investor Relations

+39 0521 913 328  
[giuseppe.ammannato@credit-agricole.it](mailto:giuseppe.ammannato@credit-agricole.it)

**Website: [www.gruppo.credit-agricole.it](http://www.gruppo.credit-agricole.it)**

**CRÉDIT  
AGRICOLE  
GROUP**  
ITALIA

 **CRÉDIT AGRICOLE**  
CARIPARMA | FRIULADRIA | CARISPEZIA

**AGOS**

 **FCA BANK**

 **CRÉDIT AGRICOLE**  
LEASING

 **CRÉDIT AGRICOLE**  
EUROFACTOR

 **CRÉDIT AGRICOLE**  
CORPORATE & INVESTMENT BANK

**Amundi**  
ASSET MANAGEMENT

 **CRÉDIT AGRICOLE**  
CREDITOR INSURANCE

 **CRÉDIT AGRICOLE**  
VITA

 **CRÉDIT AGRICOLE**  
ASSICURAZIONI

**caceis**  
INVESTOR SERVICES

 **INDOSUEZ**  
WEALTH MANAGEMENT

 **INDOSUEZ**  
FIDUCIARIA

 **CRÉDIT AGRICOLE**  
GROUP SOLUTIONS