

CREDIT OPINION

13 November 2024

Update



RATINGS

Banque Federative du Credit Mutuel

Domicile	Strasbourg, France
Long Term CRR	Aa2
Type	LT Counterparty Risk Rating - Fgn Curr
Outlook	Not Assigned
Long Term Debt	Aa3
Type	Senior Unsecured - Fgn Curr
Outlook	Negative
Long Term Deposit	Aa3
Type	LT Bank Deposits - Fgn Curr
Outlook	Negative

Please see the [ratings section](#) at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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Banque Federative du Credit Mutuel

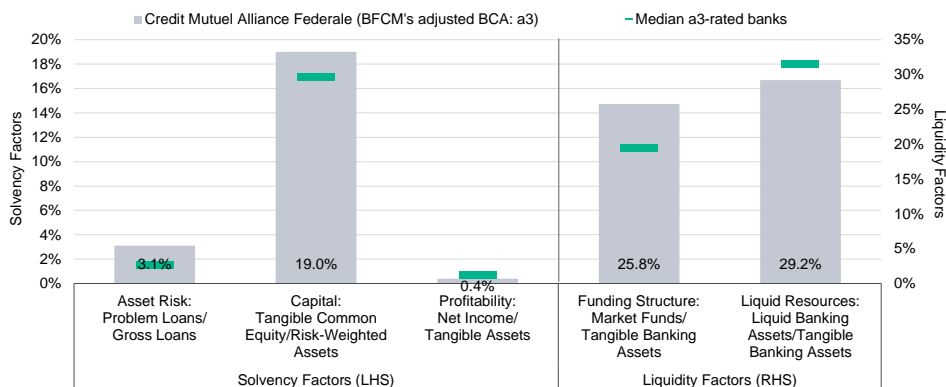
Update following rating affirmation, outlook changed to negative from stable

Summary

[Banque Federative du Credit Mutuel's](#) (BFCM) a3 Baseline Credit Assessment (BCA) is based on our assessment of the standalone creditworthiness of [Credit Mutuel Alliance Federale](#) (CMAF). BFCM acts as the issuing vehicle and holding company for all the operating subsidiaries of the mutualist group CMAF, which is part of [Groupe Credit Mutuel](#) (GCM). The a3 BCA reflects CMAF's highly stable financial fundamentals and low risk profile, which stem from the group's strong retail bancassurance franchise and commercial banking business, predominantly based on a large branch network in France.

BFCM's deposit and senior unsecured debt ratings of Aa3, with a negative outlook, reflect the bank's Adjusted BCA of a3, based on GCM's standalone credit profile; the very low loss given failure under our Advanced Loss Given Failure (LGF) analysis at the level of GCM, which results in two notches of uplift; and an additional one-notch support uplift, reflecting moderate probability of support from the [Government of France](#) (Aa2 negative) because of GCM's systemic importance to the domestic economy.

Exhibit 1
Rating Scorecard - Key financial ratios



Source: Moody's Ratings

Credit strengths

- » Strong bancassurance network, especially in France, presenting a low risk profile.
- » Strong capital and retained earnings aid the bank's ability to withstand shocks.
- » The funding structure and comfortable liquidity mitigate the impact of significant reliance on wholesale funding.

Credit challenges

- » High prices and interest rates, and low economic growth will hurt customers' creditworthiness.
- » Residential mortgage loans in France, which is the bank's core business, have low margins.

Outlook

The negative outlook on BFCM's Aa3 long-term deposit and senior unsecured debt ratings reflects the negative outlook on France's sovereign debt rating of Aa2. A downgrade of the sovereign rating would likely lead to the elimination of the one-notch government support uplift for BFCM's instruments currently rated at Aa3.

Factors that could lead to an upgrade

An upgrade of BFCM's Aa3 long-term deposit and senior unsecured debt ratings is unlikely, given the negative outlook. The Adjusted BCA of BFCM could be upgraded if GCM's solvency and liquidity were to improve further. The proximity of these entities' Aa3 long-term deposit and senior unsecured debt ratings with France's sovereign rating of Aa2 would nonetheless constrain the possibility of an upgrade of these ratings.

Factors that could lead to a downgrade

The ratings of BFCM's long-term deposits, senior unsecured debt and junior senior unsecured debt (also referred to as senior non-preferred) could be downgraded if there is deterioration in the standalone financial strength of GCM, resulting in lower Adjusted BCAs. This could happen in the event of a significant weakening in GCM's underlying profitability, mainly as a result of worsening asset quality or further significant deterioration in its net interest margin; a significant weakening in GCM's capitalisation, for example, following major acquisitions; adverse changes in its liquidity or funding profile; or a significant weakening of the operating environment in France.

A downgrade of France's sovereign rating could also lead to a downgrade of BFCM's deposit and senior unsecured ratings because of their proximity with the sovereign rating.

A downgrade could also stem from lower subordinated debt, resulting in a higher loss given failure.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on <https://ratings.moody's.com> for the most updated credit rating action information and rating history.

Key indicators

Exhibit 2

Credit Mutuel Alliance Federale (Consolidated Financials) [1]

	06-24 ²	12-23 ²	12-22 ²	12-21 ²	12-20 ²	CAGR/Avg. ³
Total Assets (EUR Million)	912,597.5	905,332.0	873,391.0	838,335.0	790,425.0	4.2 ⁴
Total Assets (USD Million)	978,080.0	1,000,079.5	932,124.1	949,922.4	967,129.2	0.3 ⁴
Tangible Common Equity (EUR Million)	58,890.0	57,093.0	53,533.0	44,862.0	40,292.0	11.5 ⁴
Tangible Common Equity (USD Million)	63,115.6	63,068.1	57,132.9	50,833.4	49,299.5	7.3 ⁴
Problem Loans / Gross Loans (%)	3.1	2.9	2.6	2.6	2.9	2.8 ⁵
Tangible Common Equity / Risk Weighted Assets (%)	19.0	19.0	19.1	18.3	17.2	18.5 ⁶
Problem Loans / (Tangible Common Equity + Loan Loss Reserve) (%)	23.5	22.5	20.9	21.7	25.0	22.7 ⁵
Net Interest Margin (%)	1.0	1.0	0.9	0.9	0.9	0.9 ⁵
PPI / Average RWA (%)	2.3	2.4	2.7	2.8	2.3	2.5 ⁶
Net Income / Tangible Assets (%)	0.4	0.5	0.5	0.5	0.3	0.5 ⁵
Cost / Income Ratio (%)	57.2	56.8	55.1	57.4	62.2	57.7 ⁵
Market Funds / Tangible Banking Assets (%)	25.7	25.8	27.3	27.4	25.9	26.4 ⁵
Liquid Banking Assets / Tangible Banking Assets (%)	29.5	29.2	29.8	32.9	32.4	30.7 ⁵
Gross Loans / Due to Customers (%)	111.3	110.1	111.7	106.5	104.7	108.9 ⁵

[⁻] Further to the publication of our revised methodology in July 2021, only ratios from annual 2020 onwards included in this report reflect the change in analytical treatment of the "high-trigger" Additional Tier 1 instruments. [1] All figures and ratios are adjusted using Moody's standard adjustments. [2] Basel III - fully loaded or transitional phase-in; IFRS. [3] May include rounding differences because of the scale of reported amounts. [4] Compound annual growth rate (%) based on the periods for the latest accounting regime. [5] Simple average of periods for the latest accounting regime. [6] Simple average of Basel III periods.

Sources: Moody's Ratings and company filings

Profile

Banque Federative du Credit Mutuel (BFCM) is owned by 14 regional federations (out of the 18 federations that make up the entire Groupe Credit Mutuel) and their affiliated local banks. These 14 regional federations, together with BFCM and [Credit Industriel et Commercial](#) (CIC, Aa3/Aa3 negative, baa1¹), make up Credit Mutuel Alliance Federale (CMAF) (the largest subgroup within the wider GCM), which accounted for around 80% of GCM's consolidated total assets as of December 2023. Two federations, Maine Anjou and Ocean, remain independent, while two other federations, namely Bretagne and Sud Ouest, are jointly operating under the umbrella of [Credit Mutuel Arkea](#) (CMA, Aa3/Aa3 negative, baa1).

Being fully integrated within CMAF, both strategically and operationally, BFCM fulfills a key role as CMAF's main issuing vehicle and, hence, an important liquidity provider to the group members. BFCM is also the holding company for CMAF's specialised subsidiaries such as Cofidis, Targobank and [Groupe des Assurances du Credit Mutuel](#) (GACM, A3 stable).

In May 2023, CMA reached an agreement with the Confédération Nationale du Crédit Mutuel (CNCM) and all other federations on amended bylaws, which, among other things, will preserve the strategic independence of all federations, which was deemed essential by CMA. As a result, CMA has abandoned its plan of separating from the group, which had involved numerous litigation cases over the last 10 years or so with the Confederation.

Please refer to [Groupe Credit Mutuel: Mutual support guarantee in a fragmented group drives our ratings approach](#), for a more comprehensive analysis of GCM's structure and rating construction.

Detailed credit considerations

Low risk profile

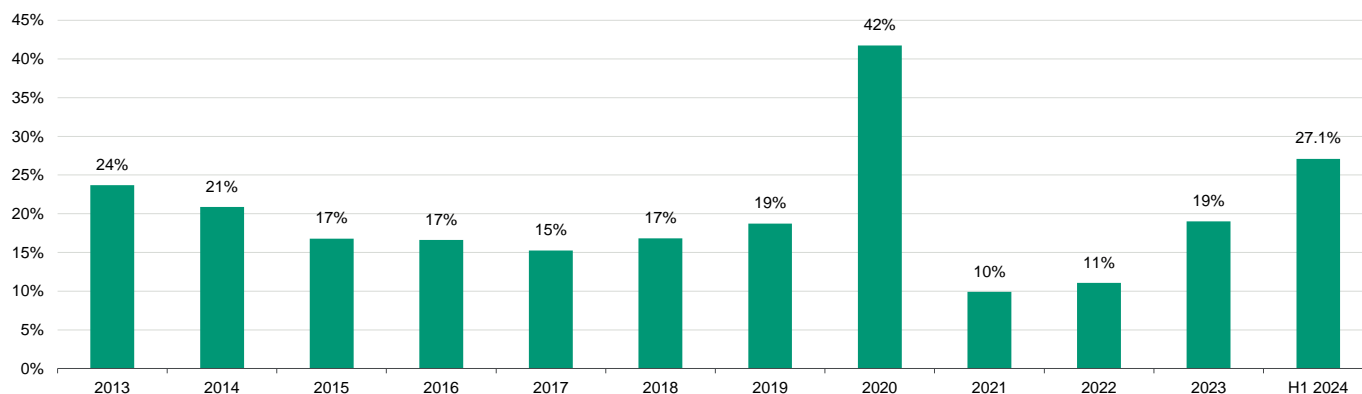
As reflected in the assigned Asset Risk score of a3, CMAF has a low risk profile, characterised by its large exposures to the home loan market (around 51% of its loan book as of June 2024), which are predominantly domestic and secured (by physical property or a guarantee).

However, the bank's nonperforming loan ratio of 3.1% as of June 2024 is weaker than the EU average² (1.9% as of Q2 2024), whereas CMAF's IFRS Stage 2 loan ratio of 7.5% as of June 2024 was much lower than the EU average³ (9.3% as of Q2 2024) mainly because of the high proportion of low-risk housing loans.

CMAF's large exposure to residential mortgage loans balances higher credit risks from corporate (37% of outstanding loans as of June 2024) and consumer loans (11% of loans). We expect the bank's cost of risk to remain low (around 35 basis points [bps] of customer loans). In H1 2024, CMAF's cost of risk increased to 35 bps from 24 bps in H1 2023. The increase was primarily due to an increase in the number of defaults in retail banking and consumer finance, along with a rise in stage 2 loans. The subdued economic growth will keep pressure on asset quality. We forecast economic growth in France will slow down (GDP growth of 1.3% in 2024 and 0.8% in 2025 compared with 1.1% in 2023), with a stable unemployment ratio (7.5% in 2024 and 2025 compared with 7.3% in 2023⁴).

Exhibit 3

The recent uptick in the share of loan loss provisions can be attributed to increased pressure on pre-provision income
Loan loss provisions / pre-provision income



The peak of provisioning in 2020 was essentially preventive because of the uncertainty related to the health crisis.

Sources: Moody's Ratings and bank reports

A strong capital base and high profit retention

The Capital score of aa2 assigned to CMAF is driven by its high capital ratio, low leverage and track record of retained earnings (exceeding 90% on average). This consistent profit retention — made possible by its cooperative structure — has allowed the bank to steadily grow its capital base over time. Hence, capital is one of the main strengths of the bank.

Despite embarking on commercial expansion and implementing a policy to allocate 15% of net income to [societal dividends](#) starting from 2023, the bank is likely to maintain its strong capitalisation.

CMAF's Common Equity Tier 1 (CET1) capital ratio was 18.5% as of June 2024 versus a supervisory review and evaluation process (SREP) requirement of 8.9% for 2024⁵. Its Tier 1 leverage ratio was 7.3% as of June 2024. While all French bancassurers' risk-weighted capital ratios are somewhat boosted by the so-called Danish compromise⁶, CMAF's leverage, measured as Moody's-adjusted tangible common equity (TCE)/total assets⁷ (including insurance assets), was sound at 6.5% as of June 2024.

CMAF's capital adequacy is also bolstered by the issuance of cooperative shares, which are high-quality capital. Its cooperative shares of €8 billion accounted for 13% of total shareholders' equity as of June 2024. The return on these instruments, which qualify as core capital (CET1) under the capital requirements regulation, is capped by law at the average yield of the bonds issued by French private companies

plus a maximum of 2% that can be added at the bank's discretion. In addition, cooperative shareholders have historically reinvested a very high share of dividends into newly issued cooperative shares, further strengthening CMAF's capital base. This ability to retain most of the annual profit provides the bank with additional flexibility to shore up its capital base and makes it easier to absorb unexpected losses or adjust to further capital needs prompted by regulatory changes.

The minimum requirement for own funds and eligible liabilities (MREL) is set at the level of GCM on a consolidated basis. GCM's MREL requirements are currently as follows: 21.92% of risk-weighted assets (RWA; 15.36% of RWA for the subordinated MREL requirement) and 6.53% in terms of leverage ratio exposure (LRE). As of year-end 2023, GCM reported MREL ratios well above these requirements. GCM's subordinated MREL ratio, made up with own funds, and eligible subordinated and senior non-preferred liabilities, was 23.18% of RWA and 10.08% of LRE as of year-end 2023.

Low but resilient profitability because of large home loan exposure in France

Our ba1 Profitability score for BFCM reflects its low-risk and low-return credit profile. Moreover, it reflects its bancassurance model, which allows the cross-selling of diversified products to its clients. This will continue to support CMAF's earnings stability and help offset the margin pressure faced by French banks since July 2022 when the European Central Bank (ECB) started to increase interest rates. In 2023, fees and commissions, net insurance revenue and revenue from other activities accounted for a high 50% of the bank's net banking income.

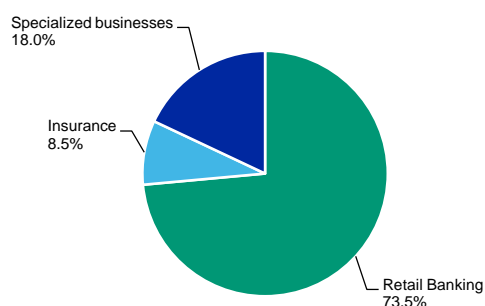
CMAF is predominantly focused on domestic retail banking, small and medium-sized enterprise (SME) banking, and insurance products in France. Including the network of CIC, a large subsidiary of BFCM, the group's geographical coverage is nationwide, with particularly high market shares, exceeding 30% in the east of France. The concentration in relatively low-risk sectors and the interest rate hedging strategies enable the group to deliver resilient and predictable earnings.

CMAF operates in the European consumer credit market (Targobank in Germany and Cofidis particularly in France, Spain, Portugal and Belgium), bringing geographical and business diversification to a portfolio historically focused on French residential loans. These high-margin activities have further improved CMAF's overall profitability in H1 2024.

CMAF is also one of the largest insurers in France through GACM, with 37.6 million life and non-life insurance contracts as of June 2024 (up 1.6% from year-end 2023). Insurance activities will remain key to the development of the group, both domestically and in Germany.

Exhibit 4

CMAF has some degree of business diversification



Sources: Moody's Ratings and bank reports

In the first half of 2024, CMAF reported a return on assets of 0.45%, which aligns closely with the performance of French banks but falls below the EU average of 0.74%⁸.

CMAF's net interest margin, in line with that of many of its French peers, has not benefited from the successive hikes in the ECB's interest rates. This is mainly because home loans are almost exclusively at fixed rates in France and because the interest rate paid on time deposits is increasing. The remuneration of term deposits in France is largely a function of regulated savings rates. As of June

2024, time deposits made up more than half of CMAF's total deposits. The value of term deposits saw a significant rise, increasing by €70billion (166%), while the total deposits grew €27 billion (6%) since June 2022.

The net interest margin also experienced pressure from a continued decrease in demand for credit since 2022.

In the first half of 2024, CMAF experienced a modest revenue growth of 3.4% compared to the same period in 2023. This growth was primarily driven by increase in insurance and corporate banking revenue, which rose by 9.3% and 13.1%, respectively. In contrast, retail banking revenue remained stable as the revenue growth in consumer finance (+6.6%) was offset by the revenue decline from the retail networks (-2.3%) on the back of low net interest margins and limited lending activities.

CMAF's operating expenses were up by 1.3% (and 6.2%, excluding the contribution to the Single Resolution Fund) in the first half of 2024. However, the cost-to-income ratio remained at 57% during the period. These metrics compare well with those of the bank's French peers (at 66% on average as of June 2024). In contrast, EU banks have reported a very positive operating leverage in recent quarters, improving their cost-to-income ratio to 53% as of June 2024 from 61% as of December 2022⁹.

Retail deposit and comfortable liquidity mitigate the impact of moderate reliance on wholesale funding

We assign a baa1 Funding Structure score to CMAF to reflect its broad and stable deposit base. Over the past two years, up to June 2024, CMAF's deposits grew by around 6%, while its loan portfolio expanded by about 8%, driving the loan to deposit ratio at 111%. In line with industry trends, the bank experienced an 11 percentage points increase in the proportion of time deposits and saving accounts, which now constitute 57% of its total deposit mix. Concurrently, there was a 19% reduction in sight deposits, attributable to rising interest rates.

In this context, wholesale funding will remain a significant funding source for CMAF over a 12-18-month horizon. As of June 2024, the total amount of market funding (including covered bonds) was €162 billion, of which 64% were medium- to long-term resources.

The impact of CMAF's reliance on market funding, which is confidence sensitive, is mitigated by the term structure of its debt, which minimises funding gaps (that is, shortfall in funding over assets needs) on all maturity buckets from three months to five years. CMAF had liquidity reserves of €166 billion as of June 2024, which are sufficient because they more than fully cover the wholesale debt maturing within 12 months.

CMAF reported a good liquidity coverage ratio (LCR) of 178% on average in the first half of 2024. The average high-quality liquid asset (HQLA) portfolio during the same period was high and amounted to €124 billion, 77% of which were deposits with the central banks (mainly the ECB).

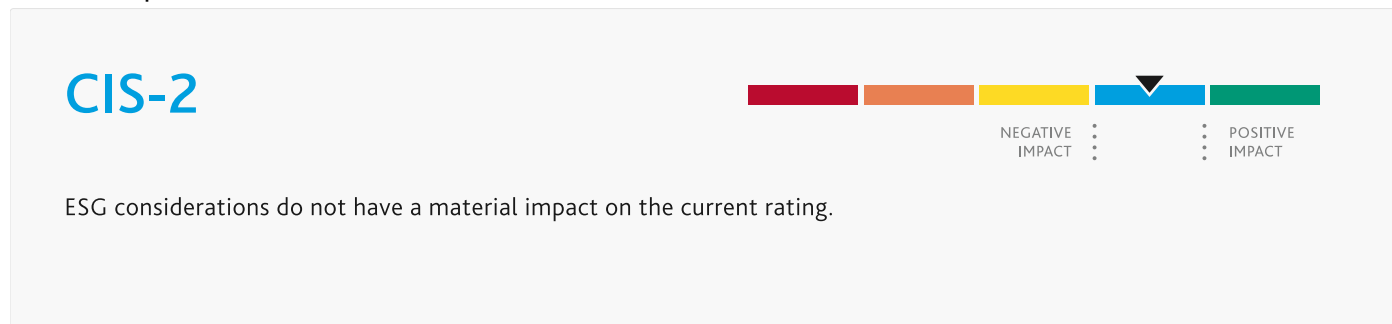
The assigned Liquidity Resources score of baa1 captures a negative adjustment for ECB's financing and the share of regulated deposits that are not available for business because they are mandatorily centralised at [Caisse des Depots et Consignations](#) (Aa2/Aa2, negative).

ESG considerations

Banque Federative du Credit Mutuel's ESG credit impact score is CIS-2

Exhibit 5

ESG credit impact score

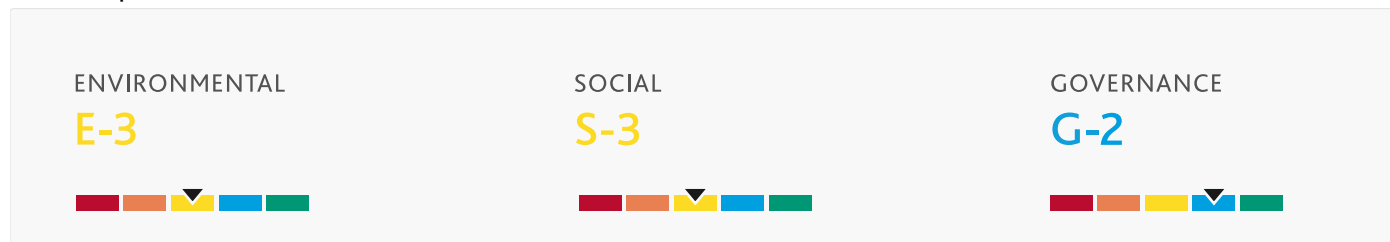


Source: Moody's Ratings

Banque Federative du Credit Mutuel's **CIS-2** reflects that ESG considerations are not material to the rating.

Exhibit 6

ESG issuer profile scores



Source: Moody's Ratings

Environmental

BFCM faces moderate environmental risks primarily because of its portfolio exposure to carbon transition risk as a diversified bank. In line with its peers, the bank is exposed to mounting business risks and stakeholder pressure to meet broader carbon transition goals. In response, BFCM is developing its climate risk and portfolio management capabilities, and is actively transitioning its lending portfolios to achieve carbon neutrality targets.

Social

BFCM faces moderate social risks mainly related to customer relations as well as to demographic and societal trends. The bank's developed policies and procedures mitigate conduct risk associated with the distribution of financial products such as regulatory and reputational risks, as well as exposure to litigation. Continued investments in technology and the bank's long track record of handling sensitive customer data, as well as appropriate culture and governance that ensure adherence to regulatory standards, help to manage high cyber and personal data risks. BFCM operates mainly in France, which faces challenges from adverse demographic trends affecting long-term economic growth prospects and impacting the demand for certain banking products. Product diversity as well as an ability to adapt to consumer preferences, regulatory changes and societal trends such as digitization are key to address these risks.

Governance

BFCM faces low governance risks. Its risk management policies and procedures are in line with industry practices and the bank has a proven track record of conservative financial policies and contained risk appetite. BFCM is part of the Credit Mutuel mutualist group (GCM), benefiting from the oversight of the group's central body Confederation Nationale du Credit Mutuel. As a mutualist group, GCM's structure has a multi-layered governance set-up, which entails governance and risk management challenges.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click [here](#) to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Support and structural considerations

Affiliate support

We assign an Adjusted BCA of a3 to BFCM. This is based on the fact that BFCM's affiliation to CNCM was officially validated in September 2020. Therefore, BFCM falls under the legal scope of GCM's solidarity mechanisms. Besides, the bank is fully integrated within CMAF, both strategically and operationally. It also plays a critical role in the group's payment systems. Therefore, an adverse scenario affecting BFCM would likely be negative for CMAF's credit strength and, by extension, for GCM. We, therefore, take into account the affiliate-backed support for BFCM from GCM. However, this does not result in any rating uplift because BFCM's BCA is at the same level as our assessment of GCM's standalone creditworthiness.

Loss Given Failure (LGF) analysis

GCM and its operating entities in France are subject to the EU Bank Recovery and Resolution Directive (BRRD), which we consider an operational resolution regime. We assume that resolution, if any, would occur at the level of GCM once the said group has reached the point of non-viability. If financial difficulties occur at the level of BFCM, this would be addressed by GCM through affiliate support. Our LGF analysis is, therefore, based on GCM's consolidated liability structure.

Our analysis assumes our standard assumptions under our Advanced LGF.

Our Advanced LGF analysis indicates a very low loss given failure for deposits and senior unsecured debt, leading us to assign a two-notch uplift to the Adjusted BCA. This uplift comes from the loss absorption provided by the combination of substantial deposit volume and subordination.

Our Advanced LGF analysis indicates likely moderate loss severity for junior senior creditors in the event of the bank's failure, leading to a rating identical to the bank's Adjusted BCA of a3.

Government support considerations

We expect a moderate probability of support from the French government for both deposits and senior unsecured debt issued by BFCM because of GCM's systemic importance in France. This results in a one-notch government support uplift for BFCM's deposit and senior unsecured ratings to Aa3. Subordinated and other junior securities do not benefit from government support, given their purpose is to absorb losses in a resolution scenario.

Methodology and scorecard

About Moody's Bank Scorecard

Our scorecard is designed to capture, express and explain in summary form our Rating Committee's judgement. When read in conjunction with our research, a fulsome presentation of our judgement is expressed. As a result, the output of our scorecard may materially differ from that suggested by raw data alone (though it has been calibrated to avoid the frequent need for strong divergence). The scorecard output and the individual scores are discussed in rating committees and may be adjusted up or down to reflect conditions specific to each rated entity.

Rating methodology and scorecard factors

Exhibit 7

Rating Factors

MACRO FACTORS											
WEIGHTED MACRO PROFILE		STRONG +		100%							
FACTOR	HISTORIC RATIO	INITIAL SCORE	EXPECTED TREND	ASSIGNED SCORE	KEY DRIVER #1	KEY DRIVER #2					
Solvency											
Asset Risk											
Problem Loans / Gross Loans	3.1%	a3	↔	a3	Expected trend						
Capital											
Tangible Common Equity / Risk Weighted Assets (Basel III - fully loaded)	19.0%	aa2	↓	aa2	Expected trend	Capital retention					
Profitability											
Net Income / Tangible Assets	0.4%	ba1	↔	ba1	Earnings quality						
Combined Solvency Score		a2		a2							
Liquidity											
Funding Structure											
Market Funds / Tangible Banking Assets	25.8%	baa2	↔	baa1	Term structure						
Liquid Resources											
Liquid Banking Assets / Tangible Banking Assets	29.2%	a3	↓	baa1	Asset encumbrance						
Combined Liquidity Score		baa1		baa1							
Financial Profile											
				a3							
Qualitative Adjustments				Adjustment							
Business Diversification				0							
Opacity and Complexity				0							
Corporate Behavior				0							
Total Qualitative Adjustments				0							
Sovereign or Affiliate constraint				Aa2							
BCA Scorecard-indicated Outcome - Range				a2 - baa1							
Assigned BCA				a3							
Affiliate Support notching				-							
Adjusted BCA				a3							
BALANCE SHEET		IN-SCOPE (EUR MILLION)	% IN-SCOPE	AT-FAILURE (EUR MILLION)	% AT-FAILURE						
Other liabilities		211,984	22.9%	272,324	29.4%						
Deposits		591,571	63.9%	531,231	57.4%						
Preferred deposits		437,763	47.3%	415,874	44.9%						
Junior deposits		153,808	16.6%	115,356	12.5%						
Senior unsecured bank debt		65,937	7.1%	65,937	7.1%						
Junior senior unsecured bank debt		15,874	1.7%	15,874	1.7%						
Dated subordinated bank debt		12,120	1.3%	12,120	1.3%						
Junior subordinated bank debt		22	0.0%	22	0.0%						
Preference shares (bank)		816	0.1%	816	0.1%						
Equity		27,783	3.0%	27,783	3.0%						
Total Tangible Banking Assets		926,107	100.0%	926,107	100.0%						
DEBT CLASS	DE JURE INSTRUMENT VOLUME SUBORDINATION	WATERFALL SUBORDINATION	WATERFALL SUBORDINATION	NOTCHING	DE JURE INSTRUMENT VOLUME SUBORDINATION	DE FACTO INSTRUMENT VOLUME SUBORDINATION	NOTCHING	LGFCENOTCHING VS. ADJUSTED BCA	ASSIGNED LGFCENOTCHING VS. ADJUSTED BCA	ADDITIONAL RATING	PRELIMINARY RATING ASSESSMENT
Counterparty Risk Rating	25.7%	25.7%	25.7%	25.7%	3	3	3	3	3	0	aa3
Counterparty Risk Assessment	25.7%	25.7%	25.7%	25.7%	3	3	3	3	3	0	aa3 (cr)
Deposits	25.7%	6.1%	25.7%	13.2%	2	3	2	2	2	0	a1
Senior unsecured bank debt	25.7%	6.1%	13.2%	6.1%	2	1	2	2	2	0	a1
Junior senior unsecured bank debt	6.1%	4.4%	6.1%	4.4%	0	0	0	0	0	0	a3

Dated subordinated bank debt	4.4%	3.1%	4.4%	3.1%	-1	-1	-1	-1	0	baa1
Non-cumulative bank preference shares	3.1%	3.0%	3.1%	3.0%	-1	-1	-1	-1	-2	baa3

INSTRUMENT CLASS	LOSS GIVEN FAILURE NOTCHING	ADDITIONAL NOTCHING	PRELIMINARY RATING ASSESSMENT	GOVERNMENT SUPPORT NOTCHING	LOCAL CURRENCY RATING	FOREIGN CURRENCY RATING
Counterparty Risk Rating	3	0	aa3	1	Aa2	Aa2
Counterparty Risk Assessment	3	0	aa3 (cr)	1	Aa2(cr)	
Deposits	2	0	a1	1	Aa3	Aa3
Senior unsecured bank debt	2	0	a1	1	Aa3	Aa3
Junior senior unsecured bank debt	0	0	a3	0	A3	
Dated subordinated bank debt	-1	0	baa1	0	Baa1	
Non-cumulative bank preference shares	-1	-2	baa3	0	Baa3 (hyb)	

[1] Where dashes are shown for a particular factor (or sub-factor), the score is based on non-public information.

Source: Moody's Ratings

Ratings

Exhibit 8

Category	Moody's Rating
BANQUE FEDERATIVE DU CREDIT MUTUEL	
Outlook	Negative
Counterparty Risk Rating	Aa2/P-1
Bank Deposits	Aa3/P-1
Baseline Credit Assessment	a3
Adjusted Baseline Credit Assessment	a3
Counterparty Risk Assessment	Aa2(cr)/P-1(cr)
Senior Unsecured	Aa3
Junior Senior Unsecured -Dom Curr	A3
Junior Senior Unsecured MTN -Dom Curr	(P)A3
Subordinate -Dom Curr	Baa1
Pref. Stock Non-cumulative -Dom Curr	Baa3 (hyb)
Commercial Paper -Dom Curr	P-1
Other Short Term	(P)P-1
CREDIT INDUSTRIEL ET COMMERCIAL	
Outlook	Negative
Counterparty Risk Rating	Aa2/P-1
Bank Deposits	Aa3/P-1
Baseline Credit Assessment	baa1
Adjusted Baseline Credit Assessment	a3
Counterparty Risk Assessment	Aa2(cr)/P-1(cr)
Senior Unsecured	Aa3
Subordinate MTN	(P)Baa1
Commercial Paper -Dom Curr	P-1
Other Short Term	(P)P-1
CREDIT INDUSTRIEL ET COMMERCIAL, NEW YORK	
BR	
Commercial Paper	P-1

Source: Moody's Ratings

Endnotes

- 1 The bank ratings shown in this report are the bank's deposit rating, senior unsecured debt/issuer rating (where available) and the BCA.
- 2 European Banking Authority (EBA) [Risk Dashboard, Q2 2024](#).
- 3 EBA [Risk Dashboard, Q2 2024](#).
- 4 [Growth and inflation converging to steady state as economic expansion persists](#), August 2024.
- 5 Including a 4.5% Pillar 1 requirement, a 1% CET1 Pillar 2 requirement, a 2.5% capital conservation buffer and a 0.9% countercyclical buffer. The other systemically important institution (O-SII) buffer is set at the GCM level only (0.5%).
- 6 According to the EU's Capital Requirement Directive IV and Capital Requirement Regulation, the exposure of bancassurers' insurance activities is reflected in their RWA with a weight of 250%. This results in a higher solvency ratio than if the capital allocated to insurance activities were to be fully deducted from the bank's capital base.
- 7 The bank's TCE leverage ratio is lower than the regulatory Tier 1 leverage ratio because, in line with the European Commission's Delegated Act of 10 October 2014, French bancassurers only include their investments in their insurance subsidiaries instead of total business-related assets in the denominator of the regulatory leverage ratio. Our TCE leverage ratio is based on the bancassurer's total assets, which results in a lower ratio.
- 8 EBA [Risk Dashboard, Q2 2024](#).
- 9 EBA [Risk Dashboard, Q2 2024](#).

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