



PERFORMANCE • EXCELLENCE  
COMMITMENT • SUCCESS

OPEN TO THE WORLD



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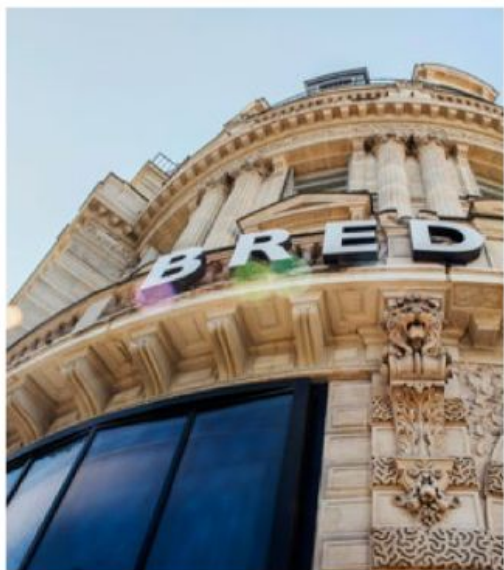
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## PROFILE

BANKING  
WITHOUT  
DISTANCE

BRED is a cooperative bank that has 200,000 members, shareholders' equity of 5.8 billion euros, and 6,300 employees, 30% of whom are located outside France and in the French overseas collectivities. It operates in Ile-de-France, Normandy and in the French overseas departments, as well as through its commercial banking subsidiaries in South-East Asia, the South Pacific, the Horn of Africa and Switzerland.

It is a local bank that is committed to its territories, with a network of 475 branches, including 75 abroad. It maintains long-term relationships with over 1.3 million customers.

BRED Banque Populaire is a member of Groupe BPCE and combines varied businesses: retail banking, wholesale banking, private banking, insurance, asset management, private equity, trading desk, and international trade finance.

In 2021, BRED achieved consolidated net banking income (NBI) of €1.46 billion (+13.5%) and its net income amounted to €412 million up by 52.7%.

**200,000** MEMBERS

**€5.8 BILLION**  
IN SHAREHOLDERS' EQUITY

**6,300 EMPLOYEES**  
INCLUDING 30% ABROAD  
AND IN THE OVERSEAS COLLECTIVITIES

**1.3 MILLION** CUSTOMERS

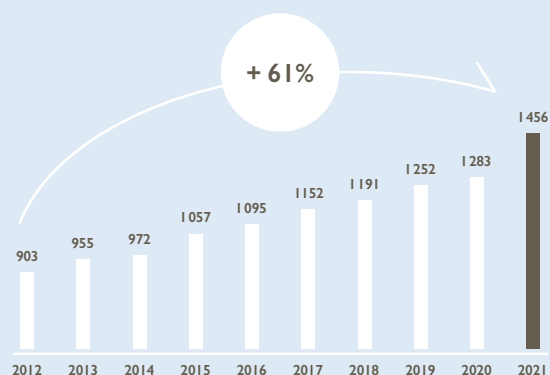
**400 BRANCHES**  
IN MAINLAND FRANCE AND THE  
FRENCH OVERSEAS DEPARTMENTS

**75 BRANCHES**  
OUTSIDE FRANCE

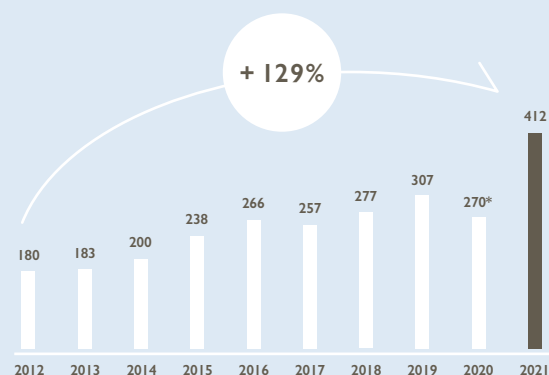
# 2021, EXCELLENT RESULTS

## OUTSTANDING PERFORMANCE SINCE 2012

Increase in the consolidated net banking income (in € million)



Increase in the consolidated net income (in € million)



**NBI €1,456.1M**

UP BY **13.5%**

NBI OF THE COMMERCIAL BANK IN FRANCE:

**+ 5.4%**

NBI OF THE BANK ABROAD AND  
IN THE OVERSEAS COLLECTIVITIES: **+ 25.7%**

**€412M**

IN **NET INCOME**

UP BY **52.7%**

STRONG GROWTH

IN **SHAREHOLDERS' EQUITY**  
OF **14.8%** **€5.8BN**

AN EXCELLENT **COST-TO-INCOME**  
**RATIO AT 55.1%**

A VERY GOOD **CET1**  
**SOLVENCY RATIO**  
**AT 16.5%**

\* The drop in 2020 is due to prudent  
provisioning of the cost of risk that may be  
caused by the pandemic.

## A YEAR OF RECOGNITION FOR BRED

**BRED WAS AWARDED NUMEROUS PRIZES, PROVING ITS RESILIENCE  
AND THE RELEVANCE OF ITS APPROACH, AS WELL AS ITS ABILITY TO TAKE UP  
THE CHALLENGES FACED BY COMMERCIAL BANKS.**



### EUROPE THE BRED GROUP, PRIMARY DEALER

BRED was one of five French banks and 39 European banks to be selected by the European Commission as Primary Dealers for the placement of its debt issues under the NextGenerationEU plan. It also places the short-term debt (less than one year) of Austria, Ireland, Belgium, the Netherlands and Estonia.



### BRED BANQUE PRIVÉE “BEST AFFILIATED PRIVATE BANK”

BRED Banque Privée received a special mention, second prize in the category “best affiliated private bank” at the Sommet du Patrimoine et de la Performance. A process that has taken several years is now producing very good results, and that rewards the quality of support for private banking customers.



### INSURANCE AN ACCLAIMED OFFERING

#### The best banking individual retirement savings plan on the market

BRED's approach is rewarded with a comprehensive product and limited charges, showing 0.70% per year for the management of units of account. Recognition of the presence of an effective euro-growth fund and of the quality of its range of multi-management vehicles.

#### Label of Excellence by the Dossiers de l'Épargne

The credit insurance offering of our subsidiary PREPAR-VIE was once again awarded the 2022 Label of Excellence by the Dossiers de l'Épargne. A policy distinguished by the quality of the benefits and coverage.



### INTERNATIONAL BFL REWARDED FOR ITS MANAGEMENT OF THE PANDEMIC

BFL was awarded the “Top LNCCI\* Business Leader for Year 2021 Covid-19 Response Award”, by the Lao National Chamber of Commerce and Industry. This award recognises the exceptional performance of BFL and all its teams, in its continuous commitment to support its customers.

*\*Lao National Chamber of Commerce and Industry.*



*Offerings  
and services in line  
with customers'  
requirements*



#### **INNOVATION** **AN ORIGINAL** **MULTICURRENCY ACCOUNT** **MANAGEMENT OFFERING**

For customers who travel a lot, BRED provides a user-friendly multicurrency account management offering that meets customers' expectations. Via an application, it enables them to manage their monetary assets in the eligible currencies of their choice, in addition to euros. All without foreign exchange charges or charges linked to foreign transactions, or tax obligations to declare accounts held abroad.



#### **PROPERTY** **THE BRED GROUP OFFERS FAR** **MORE THAN FINANCING TO** **SUPPORT ITS CUSTOMERS'** **PROJECTS**

Espace Immobilier, a free information and services platform included in the BRED application, supports customers, from when they plan to buy property until they move in. It enables them to access their bank accounts, as well as services covering all areas of their property project, via a single interface with a single sign-on.





## BRED OPEN TO THE WORLD



### SHARING BRED IS THE MAIN PARTNER OF THE TRANSAT JACQUES VABRE

The BRED Group is the main partner of the 15th Transat Jacques Vabre, which for the first time links two territories that are symbolic for the Group: Normandy and Martinique. This human adventure, shared by BRED's teams, companies, customers and skippers, brought to life the values of sailing that BRED shares: team spirit, agility and competitiveness. BRED joined forces with 150 SMEs to build the trimaran. The Transat provided an important opportunity for sharing ideas with BRED's customers at the Race Village. They were able to discover and endorse its initiatives to support children, integration, access to sport and equal opportunities.



### RECOGNITION BFL "BEST CORPORATE BANK LAOS 2021"

BFL (Banque Franco Lao Ltd), a BRED subsidiary in Laos, was awarded the prestigious "Best Corporate Bank Laos 2021" award at the International Business Magazine Awards.

### INTERNATIONAL SUPPORTING THE STRONG INTERNATIONAL DYNAMIC

To accelerate the development of its international network in the Asia-Pacific region, the BRED Group has carried out capital increases at its subsidiaries BRED Bank Fiji and BRED Bank Cambodia, the biggest European commercial bank in Cambodia, as well as at its subsidiary BRED Vanuatu in order to increase the market share of BRED Bank Solomon.





## A YEAR OF COMMITMENTS



### **SPONSORSHIP** **10 YEARS' SUPPORT FOR** **HABITAT ET HUMANISME IDF**

For 10 years, BRED has been a sponsor of the association Habitat et Humanisme Île-de-France, and is supporting the fourth Heure Solidaire (solidarity hour) project to facilitate access to housing for families and persons in precarious situations.

### **EXCELLENCE** **FEMALE ENTREPRENEURSHIP** **WITH HEC STAND UP**

300 women received training in entrepreneurship in Martinique, Guadeloupe and Réunion, in connection with an excellence training programme developed by HEC that BRED has been involved in since 2018.



### **PARTNERSHIP** **BRED AND THE ORCHESTRE** **DE PARIS**

BRED has renewed its support for the Orchestre de Paris, which has been working in hospitals for ten years via the Musique Santé association. It offers musical activities at patients' bedsides in the form of musical moments suited to the condition of each patient.

### **DYNAMISM** **A FOUNDATION THAT** **CONTRIBUTES TO** **THE DEVELOPMENT** **OF LOCAL SKILLS**

In May 2021, Banque Calédonienne d'Investissement, a BRED subsidiary, created a corporate foundation. Its mission is to enable talented New Caledonians to take an excellence course in mainland France by providing financial support. The aim of this initiative: to develop the skills and experience required to take part in developing and building the New Caledonia of the future.

### **DEVELOPMENT** **BUSINESS CREATION**

BRED is committed to entrepreneurs by supporting Adie, an association specialised in assisted microcredit, and its Créadie award. Each year, this competition rewards and promotes the outstanding projects of micro entrepreneurs, honouring people who contribute to local economic development. In June 2021, six entrepreneurs supported by Adie were rewarded by BRED in mainland France and the French overseas territories. In Martinique, the winners took part in a training course entitled "How to be an entrepreneur" that helps them to finalise their business creation project.





**SUPPORT**  
**TRANSITION OF**  
**CUSTOMER COMPANIES**  
**TOWARDS A MORE**  
**SUSTAINABLE**  
**DEVELOPMENT MODEL**

- Over the last year, BRED has taken part in several financing initiatives aimed both at financing growth in the business of its customer companies, and supporting them in their transition towards a more sustainable development model, by taking into account sustainable development goals, included in the loan contract.
- In 2021, BRED included an ESG risk analysis in over 300 credit decisions for amounts exceeding €1m for customer companies, in line with its credit policy.



**PROXIMITY**  
**REGIONAL AGREEMENT**  
**SIGNED: BRED MOBILIZED**  
**FOR THE TERRITORIES**

Two regional departments, West Normandy and East Normandy, have signed a partnership agreement with the Regional Chamber of Trade and Commerce of Normandy, thereby boosting various local initiatives to support the projects of local tradespeople, from setting up to development.

**HOUSING**  
**RENEWABLE ENERGY**

BRED is a sponsor of Sol Solidaire, which makes it possible to reduce the energy consumption of local authority housing by financing the installation of solar panels.

The Eure sales and marketing team congratulating the Normandy winner of the Stars & Métiers 2021 prize, for promoting excellence and innovation in the trade.

**APPRENTICESHIPS**  
**BRED CONTINUES ITS**  
**COMMITMENT TO**  
**WORK-STUDY COURSES**

BRED is mobilising to promote apprenticeships rooted in work environments and ensure long-term integration. In 2021 it signed 300 work-study contracts. Since 2020, 43% of students on work-study courses remained at BRED and 20% signed an employment contract at the end of their work-study course.



Training and induction meeting for students on work-study courses.

PROXIMITY: SOURCE OF RESILIENCE AND PERFORMANCE

ISABELLE GRATIANT

CHAIR OF THE BOARD  
OF DIRECTORS

**BRED's excellent results are the fruit of the continuous and sustained efforts of its teams, to support its members and its customers throughout this year marked by the health crisis.**

These results are part of a long-term process and further increase its means of development in France and abroad.

Guided by its cooperative values, BRED thinks and acts over the long term. It is by being true to them that BRED can fully support its customers faced with economic and social realities, the demands of daily life and the need to plan for the future.

*BRED stands  
by each customer  
and each member,  
in all its territories*

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Far from the pressure of the financial markets, its status as a cooperative enables BRED to preserve its local proximity banking model, through a strong local presence, to be attentive to its members and customers, to constantly adapt, to anticipate, and to drive the changes required by economic, social and environmental transformations.

One of its distinctive features? A concern for local presence: some banks are closing their branches and reducing the number of advisers. BRED wants to be available for its customers.

BRED stands by each customer, each member, in all its territories, with an increased commitment overseas and an unwavering desire to be present abroad. This proximity and local presence enable BRED to have in-depth knowledge of regional stakeholders and issues. The pandemic revealed trends - as is shown by the increased use of digital technology - but above all it has reminded us that human relations are essential, digital technology enhances the human aspect. Investments are made continually to train advisers, renovate branches and deploy digital tools in order to strengthen the local banking model.

Consequently, with the support of its cooperative customers, who have once again shown their commitment to its cooperative model by subscribing to the capital increase, and driven by its cooperative values, BRED is preparing to meet future challenges by defending a vision of the economy that combines performance with attention to people in its local and regional environment.



“Human relations  
remain essential, digital  
technology enhances  
these relations.”

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## BEYOND THE RESULTS, THE RELEVANCE OF A MODEL

### OLIVIER KLEIN CHIEF EXECUTIVE OFFICER

#### How were the BRED Group's results in 2021?

The BRED Group achieved excellent results in 2021, with an NBI of €1,456m and net income of €412m, up respectively by 61% and 129% since 2012. The BRED Group's cost-to-income ratio of 55.1% and the change in its shareholders' equity emphasise the effectiveness and strength of our bank, and its ability to contribute, alongside its customers, to the development of its territories.

These achievements are driven by all of our businesses, and in particular by commercial banking in France, which recorded an increase in revenue in 2021 of 5.4% and a continuous cumulative increase of 50% since 2012, thereby easily outperforming the market. Abroad, the BRED Group has also strengthened its positioning with growth in NBI of 25.7% at constant exchange rates, despite the closure of borders due to the pandemic in some countries where we are present. Finally, our trading desk maintained a very good level of earnings.

2021 was also a year in which BRED achieved recognition. In particular, it was chosen by the European Commission to place its bond issues, won second prize in the category "best affiliated private bank" at the Sommet du Patrimoine et de la Performance, won an award for the best banking individual retirement savings plan on the market, and was awarded

*2021 was a year in  
which BRED achieved  
recognition*

---

the Label of Excellence by the Dossiers de l'Épargne. Not forgetting that its subsidiary in Laos was named the best corporate bank in the country.

However, beyond the figures and awards in 2021, what I retain above all from that year; and what represents our main source of collective pride, is the relevance of the strategy introduced ten years ago: banking without distance, which has given rise in recent years to "100% advisory banking". This strategy is an unprecedented source of resilience in an environment that is still heavily constrained by the structure of interest rates, the technological revolution, and more recently by the health crisis. It has guided all our decisions to combine the protection of employees with support for our customers and territories. Applied to each of our businesses, it has enabled us to achieve outstanding performance over the last ten years.



**What is the strength of the “banking without distance” strategy?**

Behind this approach and at the basis of our culture of efficiency is a multidimensional philosophy of proximity and added value.

Local proximity to our customers first of all, which we have endeavoured to strengthen in recent years and to significantly improve. Indeed, banking without distance shows the BRED Group's ability to meet the ever-increasing expectations of individuals, professionals and companies of all sizes, both in terms of the overall long-term relationship and of services and advice. It shows the relationship of trust that we are continually striving to enhance: trust in our ability to support our customers on a long-term basis in their personal or corporate projects. Trust as well in our ability to meet their needs for financing, sound investments and data protection.

This philosophy also covers our proximity to the territories. We are a cooperative bank, with a particularly strong role in the territories where we are established, both in France and abroad. We are in perfect harmony with them, with converging interests. If one day, one of our territories shows lower profitability than others, the savings collected there will be used to finance the development of projects in those territories, and will not be allocated to another territory offering better profitability.

The third aspect of proximity concerns decision-making: our customers know the people ultimately in charge at BRED and its banking subsidiaries, and decisions are made at the most local level.

Finally, managerial proximity, which is just as essential, because commercial banking is a business that involves consulting, and the ability to mobilise teams to support customers sets us apart. Our employees are involved in the strategy, we give them the keys not only to understand it but also to be key players in it.

The added value of advice to all our customers is one of the foundations of our strategy. Customers, who are better-informed and more exacting, expect to have advisers who can meet their specific needs, and who are highly competent. This is what the BRED Group strives to offer and which has resulted in the emergence of “100% advisory banking”.

*The local proximity  
to customers shows  
the relationship of  
trust that we are  
continually striving  
to enhance*

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**The BRED Group works in two related but different worlds: those of transaction banking and advisory banking. How has your banking without distance strategy affected the way you deal with convergent but different needs?**

Banking without distance means knowing that it is essential to be one of the best players in digital technology, but this is not enough. The future of the BRED Group is therefore also rooted in the philosophy of an overall close relationship that we mentioned earlier.

Based on this conviction, we have created a banking model that is as efficient in the field of transactions as online-only banks, but with a crucial extra element that makes it possible to completely satisfy customer requirements: high value-added personalised support. We have undertaken to enhance the overall close relationship that BRED maintains with its customers, in each of its territories, by focussing our thinking on human capital, which is irreplaceable. Far from closing our branches, we have reorganised them to dedicate them entirely to advisory banking. We have continued to train our employees in order to perfect their expertise in the customer segment they cover, thereby improving our quality of advice, responsiveness and proactiveness.

At the same time, we have invested heavily in new technologies to offer a better customer experience, in particular with a daily banking application recognised as one of the best on the market. Furthermore, we have used digital technology to free our advisers and support departments from low value-added tasks. Finally, we have developed non-banking services.

**How is your status as a cooperative bank also a strength?**

Although our banking without distance strategy has guided us for almost 10 years, the cooperative dimension represents our roots. Our members are customers, men and women from all sectors who contribute to the economic and social dynamics of the territories where we are present.

*We have invested heavily in new technologies to offer a better customer experience*

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This model meets our customers' expectations, as is shown by the success of BRED's capital increases.

Thanks to this original status, BRED's strategy does not depend on the financial markets, their volatility and herd behaviour, such as the very short-term pressure they impose.

Our cooperative model looks to the long term, and is inclusive and committed to the territories, and is therefore more relevant than ever; as in essence it tackles the major transitions currently under way, and makes the issue of social engagement central to our model, our strategy and our governance.

As a cooperative bank, without distance, BRED combines a philosophy of proximity and added value, with a culture of efficiency and collective share ownership.

To cope with the challenges of the future, it will continue to deploy this joint model of capitalism with a positive impact, in which the customers and members, as well as the employees and the company as a whole, are central to its strategy.

PART 01

# CAPITALISING ON OUR SUCCESS

## A LONG-TERM STRATEGY MORE RELEVANT THAN EVER

The strategy of banking without distance deployed by BRED throughout the territories where it is established is supported by sustained and regular growth in NBI since 2012 and record results in 2021.

True to its core business, BRED is enhancing the high value-added overall close relationship that it maintains with its customers, individuals, private investors, professionals, institutional investors and companies of all sizes in each of its territories, in France and abroad.

Combining the best human elements with the best digital technology, BRED is in keeping with the times, looking to the long term, always striving for customer satisfaction.

Renovating branches to improve the quality of our welcome and attentiveness, continuous investments to train advisers and in digital tools to reinforce the proximity of our relationships and high value-added advice... BRED is mobilising and strengthening its unique view of its business.

# BRED IS EXPANDING, PURSUING ITS POLICY: BANKING WITHOUT DISTANCE

Behind this concept, lies a promise: that of local proximity supported by high value-added advice. This guiding line leads to tangible commitments: a certain view of digital technology and the role of advisers, supporting this philosophy and ultimately our customers. Fewer trips to branches, and seeking both autonomy for ordinary transactions and expert support, customers' expectations are changing, and BRED is meeting them. It is as effective in carrying out transactions as counterparts that are entirely online, and is mobilising to enhance the very essence of its business: high value-added advice.

## 100% ADVISORY BRANCHES - FOR A HIGH VALUE-ADDED RELATIONSHIP

Customers are highly autonomous in their daily banking transactions and visit branches less and less often. On the other hand, they expect their advisers to be available for value-added appointments: property projects, consumer loans, savings, retirement planning, protection of family assets, etc. For that reason, "100% advisory branches", by appointment only, have been deployed throughout the BRED network since 2020, offering customers meetings throughout the day. This initiative is part of an approach initiated in 2019, whereby each afternoon was devoted to appointments. BRED has made clear its aims: to offer its customers greater convenience and flexibility in their user experience, as well as added value based on two mainstays: expertise and proactiveness.

In the branches, customers are welcomed by advisers who are constantly trained to enhance their expertise, so they can meet customers' needs and anticipate their expectations. Customers leave their appointments with tailor-made, precise and detailed answers, regardless of the level of expertise their questions require.

It is far easier to make appointments: customers arrange them themselves via the BRED application or website. At the customer's discretion, appointments can be held in-person in the branch or held remotely by telephone or video conference. The length of the appointment is determined according to its purpose.

## INNOVATION TO ENHANCE HUMAN RELATIONS

BRED uses innovation to enhance its model of banking without distance, and its policy: to enhance human relations to meet the needs of its customers. To implement this approach, BRED is relying on new technologies. They meet two types of expectations: firstly, a desire for convenience, ease of use and flexibility, and secondly, the quality of customer relations. Driven by a desire to fully meet these goals, BRED is continually developing its application. It is also to fully take into account the wishes of its customers and to offer its advisers a high-quality employee experience that it has accelerated the deployment of digital processes and tools. An approach that simplifies the daily life of its employees, so that they can devote even more quality time to their customers.



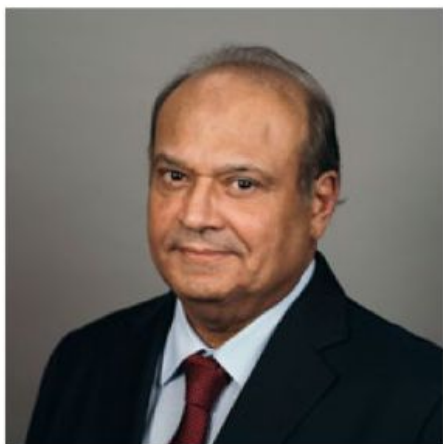
## SIMPLIFICATION OF THE CUSTOMER EXPERIENCE FOR CLOSER RELATIONSHIPS



- Extension of electronic signatures to all our contracts
- Automation of compliance checks
- Digitisation of the customer experience for property and consumer loans
- Increase in middle office functions to free advisers from monitoring and after-sales service for files



- Development of tools using artificial intelligence to automate and facilitate email replies.



*With the deployment of 100% advisory branches since 2020, BRED has entered a new stage in the promotion of its model of banking without distance. This organisation enables us to strengthen our commitment to excellence in our relations, proximity and added value. The feedback from both customers and advisers is extremely positive. Customers appreciate the advantages of planned appointments: they do not have to wait; their adviser is more available and entirely at their disposal.*

### Éric Montagne

Deputy Chief Executive Officer  
in charge of the commercial division



*BRED's information systems in France and abroad are based on customer requirements and innovation.*

*As the partners of all our business lines, our philosophy is to focus on meaning, to ask the question "Why?", rather than systematically focussing on the technology, with the aim of offering the best service to customers.*

### Simone De Oliveira

Deputy Chief Executive Officer  
in charge of information systems

**83%**  
**OF FRENCH PEOPLE**  
think that the ideal bank should enable  
each person to choose between  
digital services and visiting a branch,  
depending on their needs  
&  
**ONLY 8%**  
prefer a bank that only offers its  
customers digital services.

FBF Ifop study 12 - 2021



## NON-BANKING SERVICES: OFFERING MORE THAN JUST BANKING

BRED is enhancing its overall close relationship with customers via innovative non-banking services that fully match their needs, as they are designed with the customers in mind. These service-based platforms are included in the BRED app; customers can therefore access their bank accounts and these services via a single interface and a single sign-on.



### ESPACE IMMOBILIER

Espace Immobilier is a free information and services platform that supports BRED customers, from when they plan to buy property until they move in. Saves time and money as well.

### BRED SERVICES PRO+: SIMPLIFIED ADMINISTRATIVE MANAGEMENT

BRED was the first bank to offer professionals innovative, comprehensive and secure digital services and tools, in order to simplify the administrative management of their business and enable them to focus more on developing their revenue. BRED Services Pro+ therefore offers tools for managing quotations and invoices, managing business expenses and accounting.

These non-banking services are continually enriched and BRED will deploy a new platform for private customers dedicated to pensions.



## BRED, A TRUSTED THIRD PARTY

Trust is the basis of the overall close relationship that BRED maintains with its customers.

The increasing use of digital technology by customers is accompanied by a potentially greater risk of their personal data being used by third parties for commercial or fraudulent purposes. At BRED, customers can be confident about the use of their data, as it always acts in their best interests, with a code of ethics that ensures the data privacy, and an information system that guarantees data protection.

BRED has taken cyber risks into account for several years. The aim of BRED's strategy is to protect its data and its customers' data and assets.

This strategy is based on several principles which enable it to anticipate new threats, detect illicit activities and manage security incidents as soon as possible.

These activities include, but are not limited to:

- use of digital intelligence services that make it possible to identify and eradicate illicit copies of BRED's website, and social media that aim to deceive our customers and employees, to identify attempts at improper use of our trademarks or mobile applications;
- raising the awareness among customers and employees;
- annual information systems (IS) security campaigns making it possible to identify and correct internal and external weaknesses, to assess the digital footprint of key persons in the company, and assess our maturity in terms of cyber resilience relative to our business sector;
- use of security ethics researchers to constantly assess the strength of the applications made available to our customers.

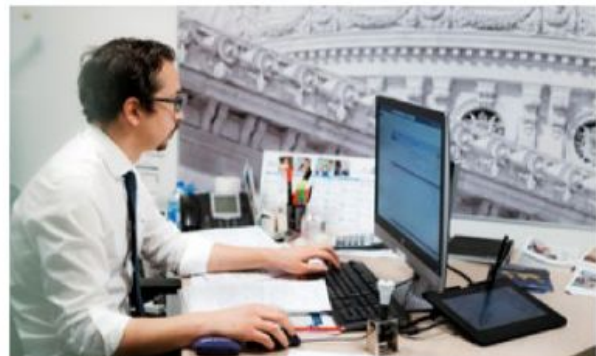


*Innovation is an integral part of BRED's strategy. It must enable us to strengthen our value offering and greatly increase our local banking without distance commitment, by offering a simplified and flexible customer experience, while ensuring the security of the processes.*

**Françoise Epifanie**  
Development Director

To provide a few figures, in 2020 and 2021 in particular:

- over 1,000 phishing websites were closed on average less than 36 hours after being identified;
- less than 5 fraudulent mobile applications were removed (Apple Store, Google Play, etc.);
- over 500 internet domain names usurping the BRED Group's identity were cancelled.



## OPEN TO THE WORLD

*Combining proximity and international presence*



BRED is attractive outside France. It is present in South-East Asia, the South Pacific and the Horn of Africa, and continues to develop its commercial activities abroad by deploying its model of banking without distance, meeting all of its customers' requirements, from individuals to large companies, and applying the best standards in risk management and compliance - a guarantee of security for customers. A strategy that makes BRED a leading player alongside domestic banks, and enables it to strengthen its positioning as a key partner offering international support for its customers.

Its international businesses recorded strong results with NBI up by 25.7% at constant exchange rates, due to strong growth in its commercial banking businesses, in particular in the Fiji Islands and Cambodia, and excellent performance in financing international trade in Geneva.

**75 BRANCHES**




ABROAD

ALMOST

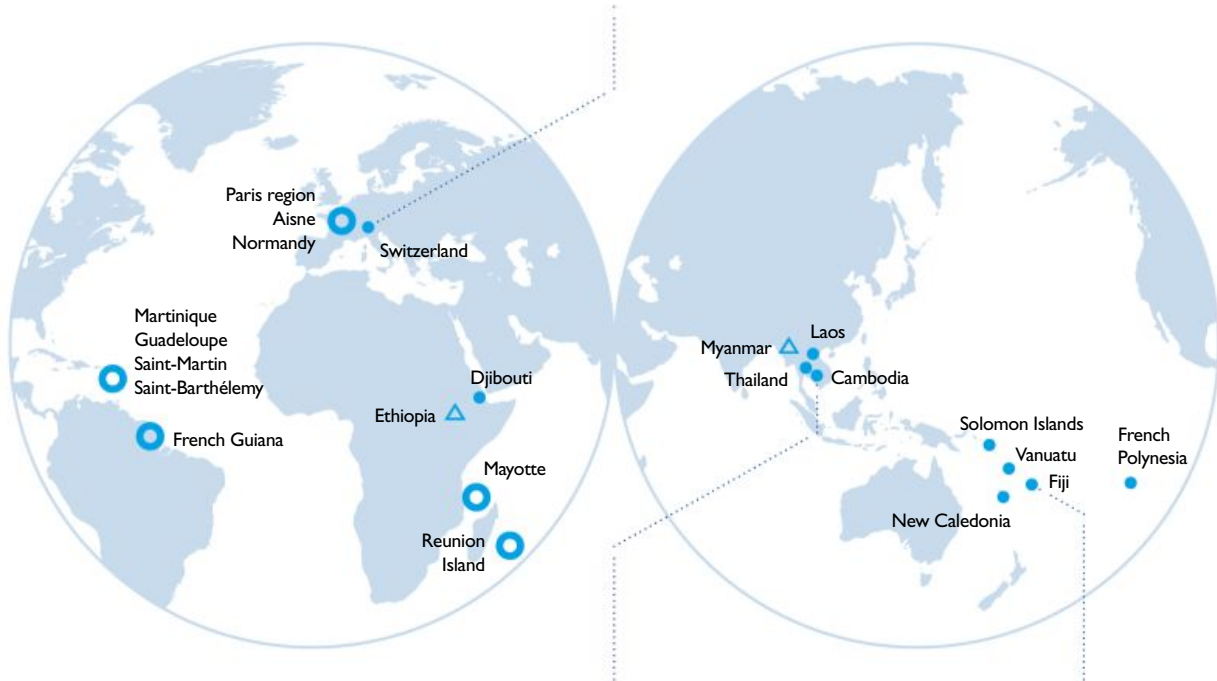
**1,600 EMPLOYEES**

**25.7% INCREASE**

IN NBI BY THE INTERNATIONAL  
DIVISION AT CONSTANT  
EXCHANGE RATES

-  BRED Bank
-  Subsidiary or Sales office
-  Holding

BIC BRED Suisse achieved record growth in NBI of **44%**.  
It is in the process of opening a branch in Dubai to provide better support for local customers and develop its business.



BRED Bank Cambodia continues its expansion in 2021.  
To support its development, a capital increase of **USD 35m** was carried out in September 2021.  
NBI increased significantly in 2021 by 26%.

BRED Bank Fiji managed to develop its customer portfolio and increase its NBI by **44%**.



Djibouti  
(BCIMR)



New Caledonia  
(BCI)



Switzerland  
(BIC BRED Suisse)



Cambodia  
(BRED Bank Cambodia)



Laos  
(BFL)



Vanuatu  
(BRED Bank Vanuatu)



Solomon Islands  
(BRED Bank Solomon)



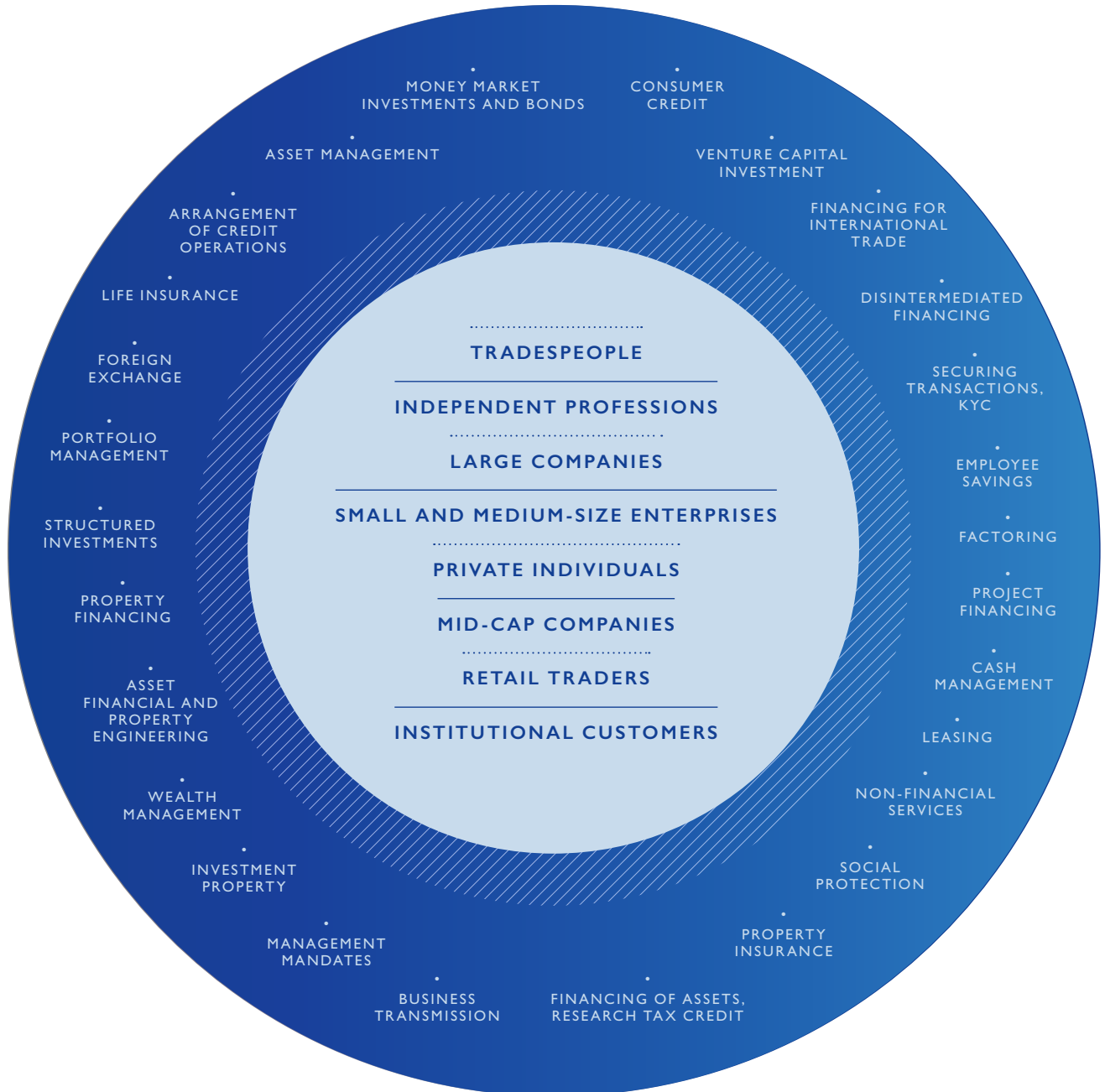
Fiji Islands  
(BRED Bank Fiji)

## EXPERTISE AND ADDED VALUE FOR ALL OUR CUSTOMERS

*Guided by its approach combining proximity  
and expert advice, BRED offers the promise  
of added value for everyone.*

Faithful to its values and convinced that the future of banking lies in human proximity and advice, BRED strongly believes in a constant concern for the added value it delivers to all its customers, whether they are individuals, private investors, professionals, institutions or companies of all sizes. Its diverse range of expertise and businesses, coupled with its network, trading desk and subsidiaries, make it a full-service bank capable of offering its clients all the benefits of a large group, both in France and internationally.





Open to the world

Capitalising on our success

## TESTIMONIALS



*I have been one of BRED's customers for about twenty years at an insurance broker company that I managed. I have several banking partners but I have a special relationship with BRED. It has managed to differentiate itself, by being attentive to my expectations regarding the transfer of my business assets to my children, having an in-depth understanding of them, and is highly responsive in arranging the financing of my property projects. There is a strong human relationship and operational efficiency with a team at our service, in both front and back offices. I also appreciate the ease of use of the banking application for my transactions and the security of the processes.*

**Georges Henri Levy**  
BRED Gestion de Fortune Customer



## PROXIMITY IN ACTION



Open to the world

Capitalising on our success

*In 2009, I went into the Dives branch which had just opened, because I needed financing to buy my delicatessen. BRED was highly responsive. That was how my wife and I became BRED customers. We are delighted with the quality of the very human relationship, which is a long-term relationship as our adviser has been supporting us every day for over 12 years now.*

**Nicolas Cherrier**  
Retail Trader, Le Fils du Pôvre



## TESTIMONIALS



*BRED is a first-rate bank in the Rent A Car ecosystem. We have had a flexible and fruitful relationship for over 15 years. The strength of the relationship also lies in BRED's responsiveness, especially during 2021 when we had to continually adapt to continue to develop our business.*

**Nadine Manic**

Deputy Chief Executive Officer Finance & External Growth  
Rent A Car

## PROXIMITY IN ACTION



Open to the world

Capitalising on our success

*BRED was willing to listen to the restructuring needs of the company in 2013 when other banks turned their backs on us. It is a true partner. The relationship of trust that has been established over the years is essential to support us today in our development projects.*

**François Machenaud**  
Chairman of the Plissonneau Group

## TESTIMONIALS



*BRED's support has been a key factor in the development of the Gorgé Group. The partnership was established on a long-term basis with the teams, and has enabled us to invest in the development of innovative solutions in high-tech fields, that have led to major commercial achievements. BRED has now renewed its confidence in us by supporting us in the acquisition of iXblue which will make it possible to create a leading global player in advanced technologies for critical missions.*

**Raphaël Gorgé**  
Chief Executive Officer, Gorgé Group



## PROXIMITY IN ACTION



Open to the world

Capitalising on our success

*BRED is a preferred partner for some of the cash management activities of the European Investment Bank (EIB). It has an extensive and strong international network in its market activities. For several years, BRED has been one of our eight international dealers for commercial papers and in terms of volume was our fourth biggest counterparty for Euro Commercial Papers (ECP) at the end of 2021. There is of course a dynamic team at the heart of the relationship, but above all a connection that BRED has with investors that we cannot all contact directly, and in particular certain central banks. Beyond the flow of transactions, BRED provides a genuine diversification of the investor base and therefore contributes to the resilience of this means of short-term fund-raising for the cash requirements of the EIB.*

**Éric Lamarcq**

Deputy Director General of the European Investment Bank



## SPECIALISED SUBSIDIARIES

### PROMEPAR

ASSET MANAGEMENT

**Asset management.** Since 1992, Promepar has focussed on a single business: asset management, comprising multi-management and direct active securities management. With committed and experienced asset managers and a robust organisation, Promepar strives to provide the best possible service for its customers.

### PREPAR-VIE

ASSURANCE

**Insurance solutions.** Since 1984, Prepar-Vie has been designing and managing life insurance and provident savings products for individuals, professionals and businesses, customers of BRED, its partners or itself.

### ADAXTRA CAPITAL

**Venture capital investments.** A 360° view of non-listed investments enabling investment in high-performance professional funds and expanding SMEs, either through life insurance or directly.

### INGEPAR

Ingénierie - Finance - Investissement

**Arranger of structured financing and tax-free investments for the development of French overseas territories.** A major player in financial engineering for overseas projects, Ingepar merged with Fipromer last December, establishing it as a benchmark player in the portfolio management market.



**Benchmark RegTech,** Vialink develops technological solutions for electronic signature, electronic security deposit and KYC process automation. As a trusted third party European vendor, it offers its innovative artificial intelligence solutions to assist finance companies in automating their onboarding processes using an API platform that is easy to integrate.



**Finance for international trade.** Active in Geneva for 25 years, the Banque Internationale de Commerce – BRED (Suisse) SA specialises in financing commodities trading. Its mission is to support the development of trading companies active in the energy, agricultural and metal commodities sectors.



**International finance.** BIC BRED Paris finances international trading companies and supports BRED's international development through financing in countries where the BRED Group operates or is seeking to set up operations.



A woman with short blonde hair is smiling and looking at a laptop screen. She is wearing a dark patterned top. In the foreground, another person's hands are visible, holding a white cup with green leaf patterns. The hands are wearing a ring. The background is a blurred green plant.

PART 02

OUR COMMITMENTS  
TO SUCCEED  
TOGETHER





## THE COOPERATIVE MODEL

### PROXIMITY IS PART OF BRED'S IDENTITY

True to its original calling and to the cooperative values that led to its creation, BRED is a bank at the heart of the economic and social life of the regions in which it operates.

Its activities are built on the strength of its cooperative model, which gives it a long-term view of the banking relationship and ensures that human relations have priority. This model is central to its commitment to its customers, members, partners and employees, to contribute in a lasting manner to the development of the territories.

Its cooperative model is more relevant than ever to deal with economic, human, cultural, regulatory and security issues.

#### **A bank that belongs to its cooperative customers**

BRED's capital is held in the form of shares by its cooperative customers, represented at the highest level by the directors, who are themselves members, committed men and women from all professional sectors. Each year, the members are required to approve the important decisions made by BRED at general meetings. In addition, the members meet regularly throughout the year in BRED's branches, to discuss its business and projects. This link was maintained during the health crisis by holding meetings via video conference.

Its governance therefore guarantees a long-term view and balanced management, far from the pressure of the financial markets. It ensures that customers' interests are perfectly balanced with those of BRED.

The support of its cooperative customers for its cooperative model grows stronger each year as is shown by the success of the capital increase in 2021.

# SOCIAL AND ENVIRONMENTAL COMMITMENTS

BRED demonstrates its commitment to responsible economic development through its social practices and the initiatives it carries out in the territories. It actively supports the world of education and research, and is particularly involved in integration and solidarity. Equal opportunities, a key factor in social cohesion in its territories, represents the main pillar of its sponsorship policy. Behind this commitment there is a challenge: to facilitate the emergence of talented people and their access to sectors of excellence, regardless of their social origin.



## FAVOURING EQUAL OPPORTUNITIES

BRED is committed to equal opportunities in urban areas that are disadvantaged or located far from the capital by supporting the Campus de l'Innovation programme. This programme, designed by Philippe Aghion, is part of a partnership between the French Ministry of Education and the Collège de France. It enables students from colleges, in particular those who have taken technology courses, located in disadvantaged areas to access education through research and the professors of the Collège de France.

In partnership with HEC and the HEC Foundation, BRED offers support in six regional education authorities (Caen, Guadeloupe, French Guiana, Martinique, Réunion and Rouen) for students who receive grants from the students' welfare office (CROUS) in classes to prepare for entry exams to the Grandes Écoles.

Each year it offers them individual support provided by its local managers and a grant of up to €800.

In 2021, BRED supported the "Lire au Grand Large" festival in Guadeloupe, an event that enables everyone to have access to books, and helps to combat illiteracy.

## CONTRIBUTING TO THE GROWTH OF OUR REGIONS

Firmly established in its territories, BRED contributes to their economic development by supporting the personal and corporate projects of its customers. In 2021, its outstanding loans increased by 15% to €29bn. BRED's ability to finance these projects is increasing thanks to regular increases in its shareholders' equity (comprising the registered capital and retention of profits) which has been multiplied by 2.5 since 2012, and the dynamism of the collection of savings. All of the savings collected are redistributed at the local level in the form of financing. 95% of credit decisions are taken locally.

**96% OF  
OUR SUPPLIERS  
ARE LOCATED IN OUR TERRITORIES**



## FACILITATING ACCESS TO ENTREPRENEURSHIP

As a cooperative bank established over 100 years ago by entrepreneurs, BRED remains true to its historical links to the world of entrepreneurship by supporting programmes that favour the emergence of entrepreneurs from disadvantaged social backgrounds.

For 25 years, it has been the partner of the Association pour le Droit à l'Initiative Economique (Adie), a pioneer in France for the distribution of assisted microcredit. It renewed the agreement in 2021 for a refinancing facility for a total of €1.5m, to finance its annual supply of microcredit. It sponsors the Créadie award in each of its territories (Ile-de-France, Normandy, Martinique, French Guiana, Guadeloupe, Réunion and Mayotte) and finances the "How to be an entrepreneur" programme, a training course for project leaders. In Réunion, BRED is the partner of the "Fondation Fond 'Ker" which encourages the economic development of companies from Réunion with the aim of social cohesion and mutual assistance.

BRED also supports female entrepreneurship by financing the deployment of the HEC Stand Up programme in Réunion, Martinique and Guadeloupe. This innovative and free training programme for excellence aims to develop the autonomy and financial independence of women through entrepreneurship. It is based on educational methods that focus on increasing self-confidence, taking action and the support of a community of entrepreneurs. HEC Stand Up

is aimed at women with corporate projects who are either job-seekers or company managers. In three years, over 300 entrepreneurs have been trained in entrepreneurship by HEC Stand Up, thanks to the financial support of BRED.

## SUPPORTING THE ENERGY TRANSITION

In partnership with the association Sol Solidaire, BRED helps to finance systems for generating electricity using solar energy. At the local level, it supports the energy transition for local authority housing, and the development of the French renewable energy sector:

BRED is also a partner of the European think tank on carbon pricing in Europe created by Edmond Alphandéry, former Finance Minister in France.

It also entrusts the recycling of its office automation and IT equipment to a partner company from the protected worker sector. This recurring business has made it possible to create seven permanent jobs for persons with disabilities in the partner company.

BRED is the only bank that is a member of the Eiffel Energy Transition fund aimed at financing energy transition projects in Europe.

**€2,080M**  
OF SRI FUNDS MARKETED

**71,346 JOBS SUPPORTED**  
THANKS TO OUR BUSINESS

## BRED IS THE MAIN PARTNER OF THE TRANSAT JACQUES VABRE

The Transat Jacques Vabre, a major international competition, takes place at the heart of BRED's territories as it links the port of Le Havre with the port of Fort-de-France. As the main partner of the 15th duo transatlantic race, BRED was able to reinforce its image as a dynamic bank committed to the development of its territories.

BRED's teams held stands in the Transat villages in Normandy and Martinique. It was a unique opportunity, with a symbolic impact, to reinforce its proximity to its customers, assert BRED's vocation to create links between its territories in mainland France and overseas, cultivate entrepreneurship and promote team spirit.

### A SERIES OF EVENTS FOR THE GENERAL PUBLIC IN COLLABORATION WITH LOCAL PLAYERS

BRED organised a series of unifying events, in association with cultural, economic and social players that it supports. Among the initiatives deployed, it financed the creation of a monumental fresco by the Martinique artist, Claude Cauquil. It was exhibited in Le Havre during the Transat, and was then put up for auction for the benefit of a Martinique association.

BRED also provided an interactive game to learn about its international territories, workshops on sailors knots organised in partnership with the Ligue de Voile de Normandie, a space to find out about Maxi Banque Populaire with a model of the boat, as well as a machine that reproduces the movement of a winch. The last of these was organised in aid of the Deauville Sailing Club and its "R'Hand et Vous Avec la Mer" campaign that enables persons with disabilities to go sailing. The challenge: travel the distance between Le Havre and Fort-de-France, together with an endowment to finance "R'Hand et Vous Avec la Mer" trips.

On the other side of the Atlantic, BRED was a partner of the "Les Barrés de la Yole" race, a sports and cultural challenge that enabled skippers at the Transat this year to learn about the yole, a traditional Martinique boat, included since December 2020 on the Register of Good Safeguarding Practices for the intangible cultural heritage of humanity (UNESCO). This was another symbolic commitment by BRED, which helped to finance landing stages at Pointe Simon, facilities that enabled Fort-de-France to welcome all of the skippers involved in the 15th Transat Jacques Vabre competition.







Watercolours by Thomas de Cointet, director of partnerships and new businesses at BRED.

Workshop for a class of young girls from a Martinique school at the Transat Jacques Vabre village in Fort-de-France.



BRED supported the Deauville Sailing Club via a challenge resulting in a financial donation, "R'Hand et Vous Avec la Mer", that enables persons with disabilities to go sailing.



Fresco created for the Transat Jacques Vabre by the Martinique artist, Claude Cauquil, a huge copy of which was displayed near Le Havre. The original work was sold by auction and the proceeds of the sale were donated to a Martinique association.



## HUMAN COMMITMENTS

In a context still marked by the pandemic, in 2021 BRED managed to achieve its aims in terms of equality, diversity and corporate social responsibility. The development of our teams remained a key concern for us.

### A RESPONSIBLE EMPLOYER

In keeping with its values, BRED implements a recruitment policy that promotes diversity and social diversity. In its recruitment and human resources management processes, BRED is sensitive to the issues of equal opportunities, the integration of persons with disabilities, and combating all forms of discrimination. This concerns in particular gender equality, by seeking to balance salaries, training and career advancement and to balance work and personal life. Communication campaigns are carried out regularly to raise the awareness of employees around these issues.



*BRED respected its commitments in 2021, in particular as regards welcoming young generations and equal opportunities. In 2021, despite the ongoing health crisis, BRED welcomed over 300 work-study course candidates and almost 330 interns in France. This gave them the chance to learn about banking professions, with an employment contract for some of them at the end of this initial period.*

**Alban Sartori**  
Human Resources Director at BRED





## 6% OF THE PAYROLL

INVOLVED IN TRAINING

### A HUMAN-CENTRED APPROACH

Deploying a human-centred approach, BRED endeavours to promote and support the men and women who work for the success of the banking without distance strategy. Our advisers are continually trained to offer the highest level of advice expected by customers. BRED deploys innovative solutions to free advisers from low value-added tasks and thereby enable them to devote themselves fully to offering advice.

New employees in the distribution network are trained on arrival at the École des Conseillers BRED (ECB). Since 2014, the École des Managers BRED (EMB), in partnership with HEC, has taught all of the bank's managers about change management, regardless of their job or seniority.

In 2021, once again despite the organisation being greatly disrupted by the health crisis, our commitment to training remained stable and at a remarkably high level: the equivalent of almost 6% of our payroll was involved in it, i.e. almost

four times the regulatory requirement. Each employee was able to benefit from one or more training courses during the year, to improve their skills.

With outstanding results in 2021, employees also received a considerable individual compulsory and voluntary profit-sharing allocation, a sign of recognition for each person's commitment to BRED's performance.

Finally, the improvement of career management, in particular via a new method of organisation between the Human Resources Department and each department of the bank, enables us to have a comprehensive view of the wishes of employees and their support needs during the year. These invaluable guidelines are already providing a guarantee of better support for each of its employees.

# SUMMARY

## OF THE 2021 RESULTS

### CONSOLIDATED INCOME STATEMENT KEY FIGURES

**BRED Group consolidated income statement (under IFRS 9)**  
(in millions of euros)

	2021	Increase
Net interest margin and similar	922.7	+ 14.8%
Fee income	533.4	+ 11.3%
<b>Net banking income</b>	<b>1,456.1</b>	<b>+ 13.5%</b>
Personnel costs	- 482.3	+ 10.4%
External services - excluding BPCE contribution	- 160.7	- 3.4%
Taxes and duties - excluding SRF	- 31	+ 0.2%
Rental expenses (IFRS 16)	- 28.9	- 2.4%
Depreciation and impairment excl. leases	- 46.8	+ 4.2%
<b>Operating expenses excluding SRF and BPCE contribution</b>	<b>- 749.7</b>	<b>+ 5.8%</b>
Single Resolution Fund (SRF)	- 27.5	+ 24.3%
BPCE contribution	- 25.7	- 35%
<b>Expenses</b>	<b>- 802.9</b>	<b>+ 4.2%</b>
<b>Gross operating profit</b>	<b>653.2</b>	<b>+ 27.4%</b>
Cost-to-income ratio	55.1%	- 4.9 pt
Cost of risk on performing loans (levels 1 and 2)	- 34.2	- 57%
Cost of risk on depreciated loans (level 3)	- 89.9	+ 9.8%
<b>Cost of risk</b>	<b>- 124.1</b>	<b>- 23.2%</b>
<b>Operating profit</b>	<b>529</b>	<b>+ 50.7%</b>
Share of profits of associates	26.9	+ 42.5%
Net gains or losses on other assets and change in value of goodwill	0.7	- 86.2%
<b>Pre-tax profit</b>	<b>556.7</b>	<b>+ 48.4%</b>
Corporate income tax	- 142.3	+ 35.7%
<b>Net profit</b>	<b>414.4</b>	<b>+ 53.3%</b>
Minority interests	- 2	NS
<b>Net profit attributable to equity holders of the parent company</b>	<b>412.4</b>	<b>+ 52.7%</b>

**BRED Group consolidated income statement excluding non-recurring items**  
*(in millions of euros)*

	2021	Increase
<b>Net banking income</b>	<b>1,452.9</b>	<b>+ 14.6%</b>
<b>Operating expenses excluding SRF and BPCE contribution</b>	<b>- 748.7</b>	<b>+ 6.3%</b>
Expenses	- 802	+ 5.5%
<b>Gross operating profit</b>	<b>650.9</b>	<b>+ 28.1%</b>
Cost-to-income ratio	55.2%	- 4.7 pt
<b>Cost of risk</b>	<b>- 124.1</b>	<b>- 24.9%</b>
<b>Operating profit</b>	<b>526.8</b>	<b>+ 53.7%</b>
<b>Pre-tax profit</b>	<b>554.4</b>	<b>+ 50%</b>
<b>Net profit</b>	<b>412.8</b>	<b>+ 55.9%</b>
<b>Net profit attributable to equity holders of the parent company</b>	<b>410.8</b>	<b>+ 55.2%</b>



[www.bred.fr](http://www.bred.fr)

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