

ALTO* Investment is adapting from April 2021 to manage the PPR: Participative Recovery Loans, following the selection of Amundi as portfolio manager of the €20 billion fund.

From 2020, the French government wanted to create a specific financial instrument to boost and support SME financing. As a trusted partner, Amundi played an important role in the consultation process launched by the French Treasury. This resulted in the legal creation of a specific super subordinated loan to strengthen the equity of SMEs, as well as the creation of a specific fund ("PPR" fund). These SME loans issued by commercial banks will be sold to the PPR fund, partially guaranteed by the French government (30% of first losses through an unfunded guarantee) and then distributed to institutional investors.

Amundi will manage two loan portfolios on behalf of the fund. The first one will concern loans to SMEs originating from the Crédit Agricole group, and the other one will be dedicated to those from a non-affiliated banking group.

In order to achieve its mission, **Amundi Technology** has adapted **ALTO*** Investment, the portfolio management platform, in record time to allow a secure risk approach and informed management decisions. Deployed for all of Amundi's management strategies and those of other clients, **ALTO* Investment** is capable of managing a large volume of data and supports portfolio managers in their daily analysis and investment choices. The control tools also had to be refined to allow the accounting of the new instruments that constitute the PPR.

All of this demonstrates Amundi's commitment to supporting economic recovery as well as its capabilities in the control, valuation, distribution and aggregation of complex loan portfolios (control of the underlying assets, complex valuation of these specific super subordinated loans and the partial state guarantee, etc.).

The PPR fund is a fund targeting an outstanding amount of EUR 20 billion, created at the initiative of the French Treasury, investing in participating loans ('PPSE' now 'PPR') from the main banks operating in France. This fund will benefit from a partial guarantee granted by the State to support the post-Covid economic recovery of SMEs. It will be launched before the summer of 2021. The Crédit Agricole Group is actively participating in this initiative through its networks (the Regional Banks and LCL) and its subsidiaries (Crédit Agricole Assurances, Crédit Agricole CIB).