



2022
**Non-financial
performance statement**

INCLUDED IN CHAPTER 3 OF
CREDIT MUTUEL ALLIANCE FEDERALE/BFCM
UNIVERSAL REGISTRATION DOCUMENT 2022



Social and Mutualist Responsibility

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3.1 PREAMBLE

Under Article L.225-102-1 of the French Commercial Code, Crédit Mutuel Alliance Fédérale is responsible for preparing, for the 2022 fiscal year, a consolidated non-financial performance statement in accordance with the legal and regulatory requirements, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied in respect of these risks and the results of these policies.

This statement incorporates information required by Articles L.225-102-1, R.225-105-1 and R.225-105, Articles 70 and 173 of the law pertaining to energy transition for green growth of August 17, 2015, Article 14 of the law pertaining to combating food waste of February 11, 2016, Sapin 2 Law No. 2016-1691 of December 9, 2016, Article L.225-102-4 of the law of March 27, 2017, pertaining to the duty of vigilance by parent companies and sourcing companies, Article 8 of the Taxonomy Regulation 2020/852 (NFRD), SFDR regulation (know as Disclosure) of December 9, 2019, Article 29 of the French Energy and Climate law.

3.2 PRESENTATION

3.2.1 Crédit Mutuel Alliance Fédérale scope

Grouped under the name Crédit Mutuel Alliance Fédérale, the mutual banking division (or regulatory perimeter) and the Banque Fédérative du Crédit Mutuel (BFCM) and its subsidiaries are complementary and linked. BFCM is the group's holding company. Its capital is held by the local banks and Caisse Fédérale de Crédit Mutuel (CFCM). It manages Crédit Mutuel Alliance Fédérale's cash and operates on the financial markets. It works with companies and local authorities in the processing of flows, credit and specialized financing transactions and deals with relations with international partners. It manages the equity investments held in all the specialized subsidiaries that support the banks' operations.

In view of this organization, the information required in the non-financial performance statement is given below in the name of CFCM on behalf of Crédit Mutuel Alliance Fédérale. CFCM holds the collective accreditation (banking code 10,278) for all the affiliated local banks and is the head of the group comprising BFCM and its subsidiaries as defined in Articles L.233-3 and L.233-16 of the French Commercial Code.

Crédit Mutuel Alliance Fédérale includes companies that are not individually obliged to publish a specific report:

- for the regional banks of CIC and CIC, a specific report is published in their annual financial report;
- for the technology division:
 - Euro-Information Services,
 - Euro-Information Développements,
 - Euro-Information Production,
 - Euro-Information,
 - Euro-Protection Surveillance;

■ for the press division, mainly:

- *Le Dauphiné Libéré,*
- *Groupe Progrès,*
- *L'Est Républicain,*
- *Dernières Nouvelles d'Alsace,*
- *Est Bourgogne Médias,*
- *L'Alsace,*
- *Le Républicain Lorrain,*
- *Liberté de l'Est.*

In line with Crédit Mutuel Alliance Fédérale's organization, the companies in the technology division and the press division are the subject of a separate declaration, available in this document.

The complete list of Crédit Mutuel Alliance Fédérale entities, press and technology divisions taken into account for the NFPS is provided at the end of the report.

The scope used for the collection and consolidation of this report represents 97% of the consolidated scope in terms of workforce on the payroll at December 31, 2022. In general, entities that are excluded from the scope are those which do not consume energy and have no employees as well as CIC's foreign subsidiaries other than Banque de Luxembourg and Banque de Luxembourg Investments SA.

The federations, Caisse Fédérale de Crédit Mutuel and the subsidiaries

The local banks belong to a federation. Depending on where the local banks are located, the federation is either an association governed by the law of July 1, 1901, or, for those located in the French departments of Haut-Rhin, Bas-Rhin and Moselle, an association subject to the locally applicable Civil Code.

As a strategic planning and control body, the federation represents Crédit Mutuel in its region.

Regarding regulatory, technical and financial aspects, CFCM, holds the collective banking accreditation that benefits all affiliated local banks, in accordance with the French Monetary and Financial Code.

CFCM is responsible for the group's solvency and liquidity, as well as its compliance with banking and financial regulations.

On behalf of the local banks, CFCM therefore performs financial functions such as liquidity management and also provides technical, legal and IT services either directly or through insurance, IT or leasing subsidiaries.

Pursuant to the French Monetary and Financial Code, each Crédit Mutuel regional group is organized around a federation, a regional bank and all the local banks that are affiliated to the federation and use the same banking code (CIB) as CFCM.

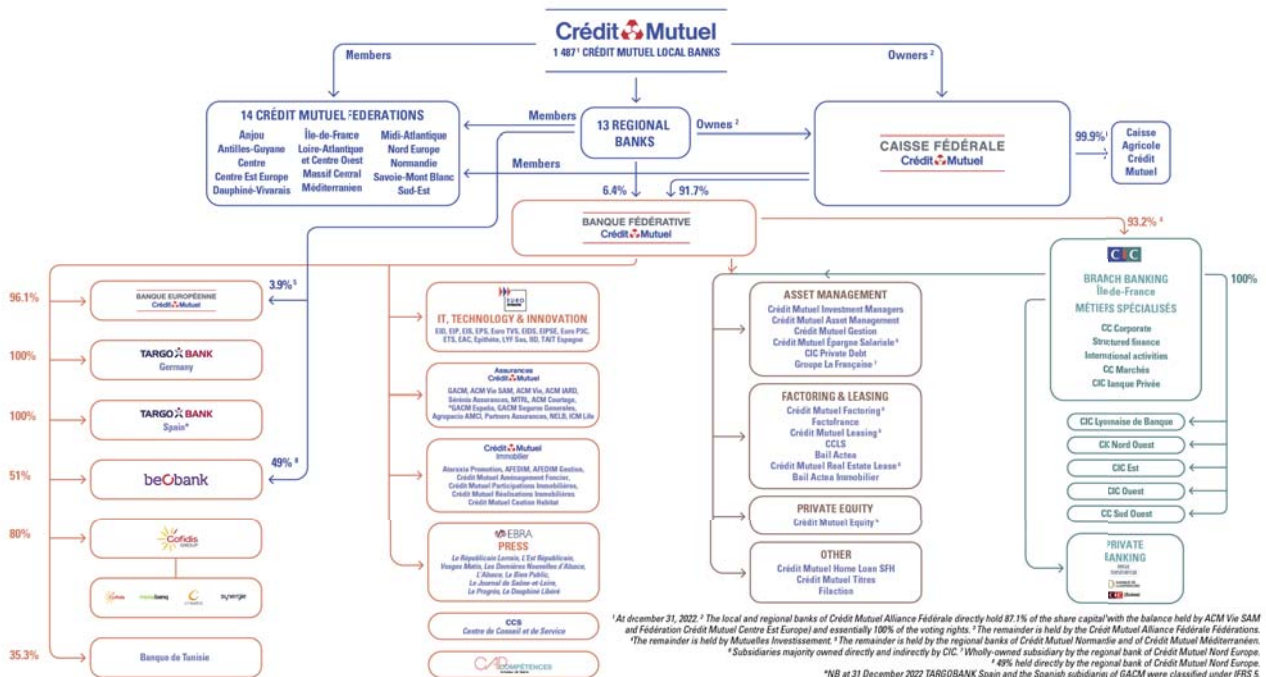
On January 1, 2022, Fédération Crédit Mutuel Nord Europe and its subsidiaries joined Crédit Mutuel Alliance Fédérale. As such, the figures for 2021 have been restated.

The regulatory scope now comprises 14 Crédit Mutuel federations that have forged partnerships authorized by the *Autorité de contrôle prudentiel et de résolution* (ACPR – French Prudential Supervisory and Resolution Authority) and grouped within CFCM:

- Crédit Mutuel Centre Est Europe – CMCEE – (Strasbourg);
- Crédit Mutuel Île-de-France – CMIDF – (Paris);
- Crédit Mutuel Midi-Atlantique – CMMA – (Toulouse);
- Crédit Mutuel Savoie-Mont Blanc – CMSMB – (Annecy);
- Crédit Mutuel Sud-Est – CMSE – (Lyon);
- Crédit Mutuel Loire-Atlantique et Centre-Ouest – CMLACO – (Nantes);
- Crédit Mutuel Normandie – CMN – (Caen);
- Crédit Mutuel Méditerranéen – CMM – (Marseille);
- Crédit Mutuel Dauphiné-Vivarois – CMDV – (Valence);
- Crédit Mutuel Centre – CMC – (Orléans);
- Crédit Mutuel Anjou – CMA – (Angers);
- Crédit Mutuel Antilles-Guyane – CMAG – (Fort-de-France);
- Crédit Mutuel Massif-Central – CMMC – (Clermont-Ferrand);
- Crédit Mutuel Nord Europe – CMNE – (Lille).

Each local bank is a member of the federation of its geographic region and each federation is autonomous within its territory.

SIMPLIFIED ORGANIZATION CHART OF CRÉDIT MUTUEL ALLIANCE FÉDÉRALE



3.2.2 Crédit Mutuel Alliance Fédérale's business model

As a cooperative and mutualist bank, Crédit Mutuel Alliance Fédérale is committed to responsibility, proximity and solidarity and demonstrates its ability to build collectively for the common good. Capitalizing on the proven power of technology, Crédit Mutuel Alliance Fédérale's business model is decentralized, relationship-driven and integrated across the regions.

Crédit Mutuel Alliance Fédérale's business model is described in the introduction of this universal registration document.

Monitoring the effects of price increases

In 2022, Crédit Mutuel Alliance Fédérale was actively committed to providing support to each of its members and customers, particularly those most vulnerable to inflation, and to supporting the purchasing power of its employees.

3.2.3 Crédit Mutuel Alliance Fédérale: the first benefit corporation bank

In 2020, Crédit Mutuel Alliance Fédérale adopted a *raison d'être* in line with its values: "*Ensemble, écouter et agir*" (Listening and acting together).

Pursuant to a collaborative initiative launched with its mutualist elected members and employees, it became the first benefit corporation bank, with five long-term commitments that aim to assert its identity and its values, and to mobilize expertise and energy around a shared momentum:

- as a cooperative and mutualist organization, we support our customers and members in their best interests;
- as a bank for all, members and customers, employees and elected members, we act for everyone and refuse any discrimination;
- respectful of everyone's privacy, we place technology and innovation at the service of people;
- as a solidarity-based company, we contribute to regional development;
- as a responsible company, we actively work for a fairer and more sustainable society.

These five missions are based on 15 concrete commitments to be achieved by the end of 2022.

The monitoring of the execution of these commitments is entrusted to a Mission Committee which will ensure that the company implements the resources, governance and ambition necessary to advance in its missions. It draws on the expertise of its members in order to formulate recommendations on areas for work and possible medium-term initiatives.

The Mission Committee presents an annual report attached to the management report to the Shareholders' Meeting. The implementation of social and environmental objectives is verified by an independent third party, which issues an opinion attached to the Mission Committee's report.

These commitments enhance those of Crédit Mutuel Alliance Fédérale's SMR (Social and Mutualist Responsibility) approach and, more specifically, commitments #12 and #13 related to the group's climate strategy and its environmental ambition to align its activities with the trajectory of the Paris Agreements.^[1]

[1] A cross-reference table between the commitments of the benefit corporation, the objectives of the 2019-2023 strategic plan and those of the SMR policy can be found at the end of section 3.3 of this chapter.

THE 15 COMMITMENTS FOR 2022

In 2022, Crédit Mutuel Alliance Fédérale joined the Community of Benefit Corporations. This move will help to strengthen the role of the benefit corporation in France and accelerate the transformation of companies towards a more caring and sustainable society.

**MISSION 1**

As a cooperative and mutualist organization, we support our customers and members in their best interests.

1

Bring democracy to life in the bank **by doubling the number of members voting at Shareholders' Meetings**

2

Guarantee to each customer **a dedicated, non-commissioned advisor**

3

Give more place to young people and get closer to parity on boards of directors from 2022

MISSION 2

A bank for all, members and customers, employees and elected representatives, we act for everyone and refuse any discrimination.

4

Train all our employees and elected members in **the fight against discrimination**

5

Recruit 25% work-study students in priority neighborhoods and rural areas

6

Defend gender equality at all levels of the bank

MISSION 3

Respectful of everyone's privacy, we place technology and innovation at the service of people.

7

Guarantee the privacy of our customers' data **by processing 99.9% of their information in our infrastructures and systems located in France**

8

Invest productivity gains from artificial intelligence in employment and development

MISSION 4

As a solidarity-based company, we contribute to regional development.

9

Anchor decision-making centers in the regions **with more than 90% of our lending decisions taken at branches**

10

Offer the PayAsso digital payment solution to our associations and civil liability coverage to their managers

11

Invest 5% of our equity mainly in innovative French companies

MISSION 5

As a responsible company, we actively work for a more fair and sustainable society.

12

Reduce the group's carbon emissions by 20% and the carbon footprint of our investment portfolios by 12% by the end of 2022

13

Immediately stop funding for new oil and gas projects

14

Insure the real estate loans of our loyal customers without any medical formalities

15

Commit to customers in financial difficulty with an account at €1 net per month without any incident fees

3.2.4 Governance and strategic orientation of Crédit Mutuel Alliance Fédérale

Crédit Mutuel Alliance Fédérale is a group of strong values. Its CSR policy, deliberately renamed Social and Mutualist Responsibility (SMR) in 2016, is in line with its identity, which consists of democracy, proximity, economic and social development, mutual assistance and solidarity. Crédit Mutuel has been a member of the United Nations Global Compact since 2003.

Crédit Mutuel Alliance Fédérale's SMR policy is focused on five goals including 15 commitments. This strategy supplements the group's development goals by incorporating social, societal and environmental issues into the activities of the group's entities.

In order to consolidate the group's SMR strategy, work was undertaken to draw a parallel between these five ambitions and the UN's Sustainable Development Goals (SDGs) adopted in 2015. This work led to the selection of the SDGs which correspond to the strategic objectives of Crédit Mutuel Alliance Fédérale and those where significant leverage is possible. All of Crédit Mutuel Alliance Fédérale's entities (France perimeter) were asked to participate in this project on a voluntary basis.

The methodology involved creating a questionnaire to correlate the categories of the 17 SDGs with the SMR actions in order to evaluate the contribution made to each SDG.

The results enabled to select six SDGs (numbers 3, 4, 5, 8, 9 and 13), whose challenges correspond to the group's SMR commitments.



Since 2019, Crédit Mutuel has also been a signatory of the Principles for Responsible Banking (PRB) of the UNEP FI (Financial Initiative of the United Nations Environment Program). It then joined two thematic initiatives carried out as part of the PRB: the Net-Zero Banking Alliance (NZBA) on climate and universal financial inclusion.

3.2.4.1 Crédit Mutuel Alliance Fédérale's SMR governance

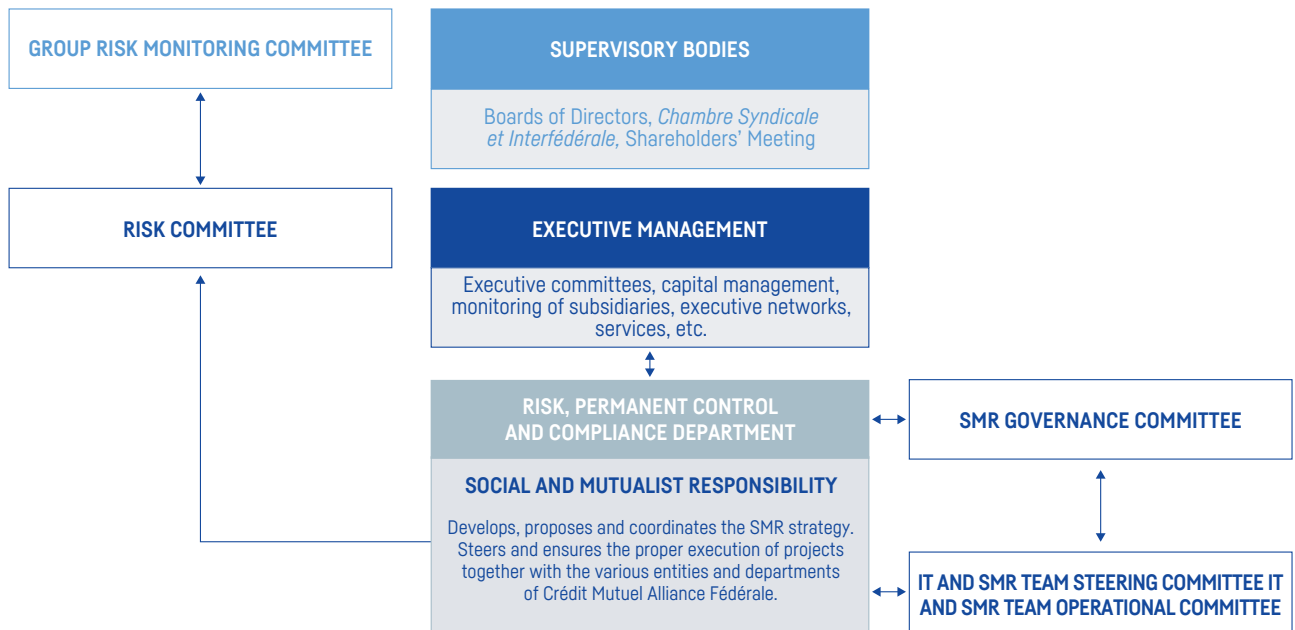
Crédit Mutuel Alliance Fédérale's corporate governance system in terms of CSR brings together all group functions and relies on the SMR department, which reports to the risk, permanent control and compliance department. This strategic positioning reflects the desire of Crédit Mutuel Alliance Fédérale's governance to identify social, societal and environmental issues as risk factors whose treatment will ensure the proper execution of the SMR strategy.

Crédit Mutuel Alliance Fédérale's SMR policy is based on responsible and committed governance. Its volunteer directors actively contribute to the life of the group in accordance with the rules of independence, ethics and integrity. The SMR action plan is validated by a dedicated working group of the *Chambre syndicale et interfédérale*, a decision-making body that brings together the elected chairpersons of the local and regional banks and federations, and the managing directors at least twice a year. This working group is presided over by the Chairman of Crédit Mutuel Alliance Fédérale.

In 2021, due to the increasing number of SMR issues, an SMR Governance Committee was set up. It is coordinated by the risk department and includes the group's main effective managers and business managers. It is presided over by the Chief Executive Officer of Crédit Mutuel Alliance Fédérale and the Chairman of Crédit Mutuel Alliance Fédérale participates as a guest.

This committee recommends strategic orientations, approves the roadmap and ensures its proper execution.

GOVERNANCE STRUCTURE

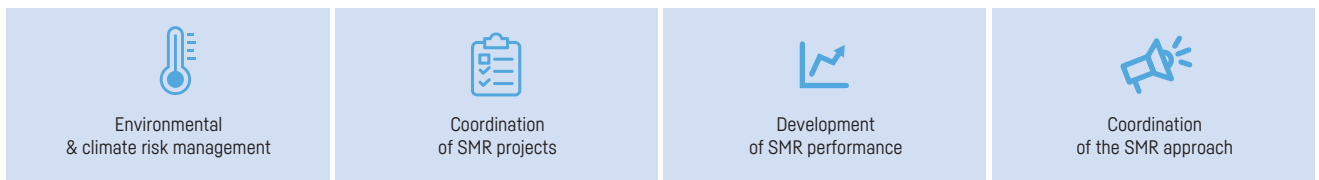


Role and responsibilities of the SMR division

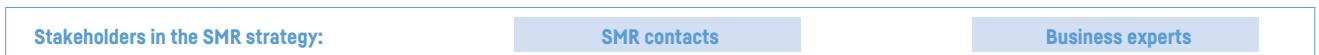
The main missions and objectives of the SMR division include:

- defining and implementing Crédit Mutuel Alliance Fédérale's SMR policy for all Crédit Mutuel Alliance Fédérale entities and business lines;
- steering Crédit Mutuel Alliance Fédérale's Environmental, Social and Governance (ESG) risk management system together with CNCM's risk department, in order to meet the prudential regulations and requirements in force, in particular by implementing appropriate procedures for the decision-making and reporting tools and reporting used by group entities (sectoral policies in particular);
- coordinating and ensuring the proper execution of SMR projects alongside of business line experts (HR, logistics, IT, sales, compliance, etc.);
- reporting on the actions carried out to the SMR Governance Committee and to the executive (group Risk Committee) and supervisory (group Risk Monitoring Committee) bodies of Crédit Mutuel Alliance Fédérale;
- attending various specialized committees: Fragile or Vulnerable Customer Committee, Customer Claims Committee, New Products Committee, corporate banking SMR Committee, Operations and Steering Committees with Euro-Information;
- monitoring and ensuring relations with non-financial rating agencies and other stakeholders;
- coordinating the network of SMR contacts responsible, within the various Crédit Mutuel and Alliance Fédérale entities and structures, of disseminating the group's SMR policy among employees and elected members;
- communicating and training group employees to improve the appropriation of policies and action plans related to ESG issues.

SOCIAL AND MUTUALIST RESPONSIBILITY



Regulatory, economic, technical and prospective monitoring



SPECIALIZED COMMITTEES

Fragile or Vulnerable Customer Committee	New Products Committee	Corporate Banking SMR Committee	Customer Claims Committee
Steers the implementation of the action plan	Rules on the consistency of new products in connection with the SMR approach	Issues an advisory opinion on ESG criteria for lending decisions	Monitoring of customer claim management systems

3.2.4.2 Structured SMR policy based on five ambitions



- Members and customers ambition;
- Governance ambition;
- Societal ambition;
- Social ambition;
- Environmental ambition.

The SMR policy, which is based on five ambitions comprising 15 commitments, reflects Crédit Mutuel Alliance Fédérale's values and highlights its environmental, social and societal priorities. Each entity deploys these SMR commitments and adapts them to its business lines. By drawing on this collective mobilization based on responsibility and autonomy, the development of the SMR strategy guarantees the coherence of group actions at the regional level.

Crédit Mutuel Alliance Fédérale strengthened its ambitions in the fight against climate change by setting a target to reduce the carbon footprint of its corporate, asset management and insurance portfolios by 15% by 2023. This target, which is part of the review of its *ensemble#nouveau monde, plus vite, plus loin!* [together#today's world, faster, further!] strategic plan, has been added to those already included in the initial strategic plan.

After deciding to withdraw from the coal sector and to stop financing new oil and gas exploration, production and infrastructure projects^[1], Crédit Mutuel Alliance Fédérale has stepped up its commitment to combat global warming by defining, in 2022, the share of unconventional fossil fuel production in the activity of its counterparties above which all financing is excluded. This threshold, included in the hydrocarbons sectoral policy from January 1, 2023, is scalable over time.

In addition, the group announced in 2022 that it would commit to the fight against deforestation.^[2]

Through these various measures and objectives, Crédit Mutuel Alliance Fédérale aims to meet the guidelines of the Paris Climate Agreements, which aim to limit the increase in temperatures by between 1.5 and 2°C by 2100.

Furthermore, Crédit Mutuel Alliance Fédérale endorses the commitment signed by CNCM to join the Net Zero Banking Alliance organized by the United Nations^[3] to support the global transition of the real economy towards net zero emissions.

The SMR policy integrated in the strategic plan, is a vehicle for performance and sustainable solidity. It translates into quantitative goals:

- 100% of employees trained in transformation;
- gender equality in management and governance positions;
- membership rate in excess of 90%;
- reduction of more than 30%^[4] in the group's carbon footprint;^[5]
- increase in funding for projects with a high climate impact (renewable energies) of 30%;
- reduction in the carbon footprint of customer portfolios^[6] of 15%.

In 2022, Crédit Mutuel Alliance Fédérale continued to implement the strategic plan for its human and mutualist development indicators. At December 31, 2022, the results are as follows:

- 88% of employees are trained in digital transformation;
- the rate of representation of women in management and governance positions is 42% for managers^[7] and 32% for Management Committees;
- the membership rate was 80.07%.

Strongly committed to respecting the guidelines of the Paris Agreements on Climate change, Crédit Mutuel Alliance Fédérale has included three ambitious objectives in terms of ecological and climate transition in its strategic plan. At December 31, 2022,^[8] the results were as follows:

- the direct carbon footprint (without offsetting) decreased by 21% between 2018 and 2021;
- the corporate portfolio's carbon footprint decreased by 55% between 2018 and 2022, exceeding the target of -15%. It should be noted that the calculation was made on the basis of GHG emissions in 2020, which were strongly impacted by the Covid-19 crisis;
- financing of projects with a high climate impact (renewable energies) increased by 54%, exceeding the target set at +30% over the duration of the plan.

[1] Excluding the shipping sectoral policy:

https://www.bfcm.creditmutuel.fr/partage/fr/CC/BFCM/assets/articles/rsm-politiques-sectorielles/Politique_Mobilite_Secteur_Maritime.pdf

[2] Press release of December 9, 2022 <https://presse.creditmutuelalliancefederale.fr/biodiversite-et-lutte-contre-le-dereglement-climatique-credit-mutuel-alliance-federale-annonce-la-fin-du-financement-des-importations-de-produits-issus-de-la-deforestation/?lang=fr>

[3] <https://presse.creditmutuel.com/credit-mutuel-devient-la-premiere-banque-mutualiste-francaise-a-rejoindre-lalliance-bancaire-net-zero-organisee-par-les-nations-unies/>

[4] France scopes 1, 2 & 3 energy consumption, refrigerants, motor fleet and business travel.

[5] Calculation method: GHG protocol – ISO 14 064 standard.

[6] Corporate loans and investment portfolios in asset management and insurance.

[7] Permanent contracts present under the single status as of 12/31/2022.

[8] The objectives are calculated based on the results of the 2018 fiscal year, which is the reference year.

The 2019-2023 strategic plan

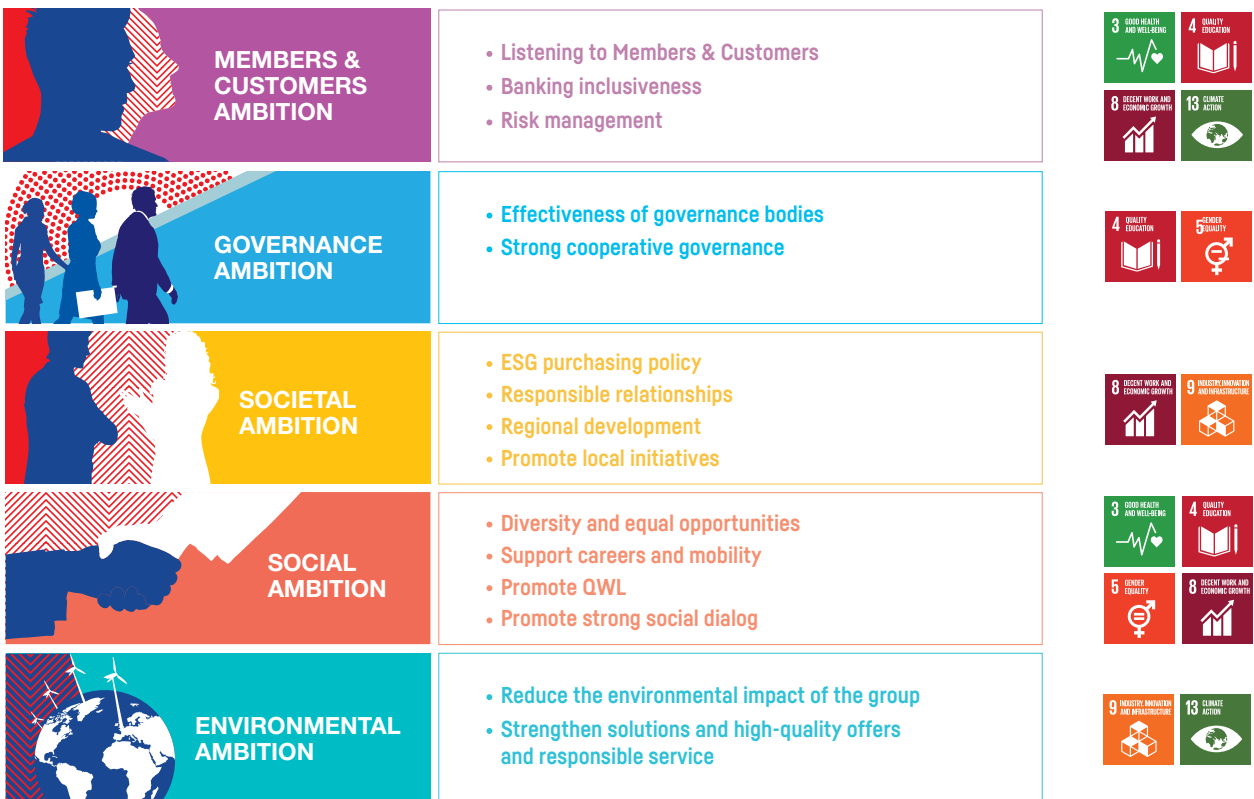


(1) France scope, emissions related to energy consumption, refrigerant gas leaks, business travel and the car fleet at 12/31/2021.

(2) Corporate customer portfolio, asset management and insurance.

(3) The decrease indicated concerns the carbon footprint of the corporate customer portfolio. The calculations were made on the basis of 2020 GHG emissions, which were strongly impacted by the COVID crisis.

THE SMR POLICY



Change in non-financial rating

Each year, Crédit Mutuel Alliance Fédérale responds to questionnaires from non-financial rating agencies to assess its environmental and social actions and its governance model following a continuous improvement approach. Since 2020, the group has obtained a C rating from ISS ESG and has been awarded the “prime” status reserved for the best-rated companies in their industry. In addition, with a score of 65/100, Moody’s ESG assessment confirms Crédit Mutuel Alliance Fédérale’s ranking as the sixth best-rated European bank. Lastly, Sustainalytics consolidated the group’s position with a moderate ESG risk: score of 21.2.

	Moody's ESG Assessment of ESG criteria Scale 0 to 100	SUSTAINALYTICS Assessment of ESG risk ⁽¹⁾ Scale 0 to 40	MSCI Assessment of ESG criteria Scale CCC to AAA	ISS ESG Assessment of ESG criteria Scale D- to A+
2019	63	30.6	AA	C-
2020	65	21.8	AA	C
2021	65	21.2	AA	C

(1) Non-financial rating agencies rate the BFCM entity taking into account the full scope of Crédit Mutuel Alliance Fédérale.

(2) The rating scale of the Sustainalytics agency has been modified in favor of a risk analysis methodology (0 to 10: negligible; 10 to 20: low; 20 to 30: medium; 30 to 40: high; > 40: severe).



3.3 NON-FINANCIAL RISKS AND OPPORTUNITIES OF CRÉDIT MUTUEL ALLIANCE FÉDÉRALE

Methodology applied to create a mapping of environmental, social and governance risks (ESG)

The risk department has a mapping of group risks that makes it possible to apprehend all of the factors that might affect activities and their performance. This mapping is the starting point for work led by a dedicated team to identify, assess and prioritize the ESG implications for the group. The approach in place established in 2018, inspired by the CSR Reporting Methodological Guide published by MEDEF, draws on the collaborative work of the group’s risks and SMR teams, which consists of identifying risk factors, provided by experts, for each ESG area.

In 2020, the risk rating procedure, provided by experts was reviewed based on quantitative indicators common to all Crédit Mutuel Alliance Fédérale entities. This procedure is designed to grade risks based on the probability of their occurrence, their level of impact and the possibility of not detecting them.

The rating scale ranges from 1 [very significant risk] to 5 [very low risk]. The score achieved may be adjusted upwards or downwards by one notch only and based on expert advice. This quantified methodology was also used to review the ratings of the ESG risk mapping. The results had not led to any changes to the classification of significant ESG risks previously identified.

The mapping of significant ESG risks also features risk prevention and mitigation measures as well as the main performance indicators. It is approved by Crédit Mutuel Alliance Fédérale’s Risk Committee (executive body) and the Risk Monitoring Committee (deliberative body).

In addition, climate risks are voluntarily included in the mapping of significant ESG risks, in line with those carried out at Confédération Nationale du Crédit Mutuel level.

Note that, reputational risk (like legal risk) is non-quantifiable given that a negative perception of the group may result in a breach of trust that could modify the behavior of its various partners (customers, investors, suppliers, employees, regulators, etc.) and be seen as the consequence of other risks (financial, operational, credit and commercial in particular). Crédit Mutuel Alliance Fédérale manages reputational risk through other risks. However, the threat of damage to reputation may have significant consequences. That is why Crédit Mutuel Alliance Fédérale carefully evaluates the possible consequences of various risks (preventive measures) and ensures proper functioning of a crisis unit when a proven risk to reputation arises.

MAPPING OF SIGNIFICANT ESG RISKS

SUMMARY

Non-financial information category	Significant non-financial risks	Prevention measures
GOVERNANCE		
Lack of training of elected members	<ul style="list-style-type: none"> Risk of decisions incoherent with the strategy of the group 	<ul style="list-style-type: none"> Training plan designed for each profile of elected members
Lack of attractiveness of membership	<ul style="list-style-type: none"> Risk of compromise of the mutualist model 	<ul style="list-style-type: none"> Coordination of cooperative life Encouraging the involvement of elected officials in local life
Lack of advice for customers Unsuitable goods and services sold	<ul style="list-style-type: none"> Risk of losing customers 	<ul style="list-style-type: none"> Regular quality measurements Satisfaction survey Adaptation of offerings
SOCIAL		
Transformation of skills Lack of employee training	<ul style="list-style-type: none"> Risk of non-compliance of banking and insurance operations 	<ul style="list-style-type: none"> Significant training budget (> 6% of payroll expense) Specific training related to insurance products Support for all employees in the digital transformation
Demotivation of staff (management, professional recognition, QLW, etc.)	<ul style="list-style-type: none"> Risk of non-respect of procedures Risk of failure to advise customers/prospects – Loss of NBI 	<ul style="list-style-type: none"> Internal employee support system (regular interviews, group charters and agreements, measures to improve QLW, etc.)
SOCIETAL		
Lack of awareness of the ESG issues in the group purchasing policy	<ul style="list-style-type: none"> Risk of non-respect of the vigilance plan 	<ul style="list-style-type: none"> Compliance with the purchasing policy Signing of the supplier charter
Malice in the handling of customer/prospect banking operations	<ul style="list-style-type: none"> Risk of internal and/or external fraud Risk of conflicts of interest Risk of information theft 	<ul style="list-style-type: none"> Strengthening of control procedures for banking and insurance transactions
Breakdown in IT security	<ul style="list-style-type: none"> Risk of downtime in bank IT systems Risk of cybercrime Risk of non-respect of General Regulation on the protection of customer data 	<ul style="list-style-type: none"> IT Security Committee ISO 27001 certification Employee training on GDPR
FIGHT AGAINST CORRUPTION		
Non-respect of procedures	<ul style="list-style-type: none"> Risk of corruption 	<ul style="list-style-type: none"> Regular employee training Internal control
HUMAN RIGHTS		
Controversies over the non-respect of human rights	<ul style="list-style-type: none"> Risk of exposure through banking and insurance activities Risk of non-respect of the vigilance plan 	<ul style="list-style-type: none"> Contractual clauses Crisis management system Monitoring assisted by a scoring tool Monthly reporting and establishment of a list of excluded securities for asset management Communication of the vigilance plan
ENVIRONMENTAL		
Absence of dedicated SMR governance	<ul style="list-style-type: none"> Regulatory risk (poor application of regulatory texts) 	<ul style="list-style-type: none"> CSR commitments of Crédit Mutuel Alliance Fédérale Approval of decisions by the Boards of Directors of the umbrella bodies Dedicated organization with correspondents in each entity
Lack of consideration for the carbon footprint of the group's entities in the exercise of their activities	<ul style="list-style-type: none"> Reputation risk Regulatory risk 	<ul style="list-style-type: none"> Carbon footprint offsetting mechanism ISO 50001 certification process (energy management)
Failure to take into account specific rules governing high greenhouse gas-emitting sectors in lending and investment management	<ul style="list-style-type: none"> Risk of losing customers and attractiveness (impact on NBI) 	<ul style="list-style-type: none"> Sectoral policies & inclusion of ESG criteria when granting loans and in investment operations
Absence of prevention measures to reduce the carbon footprint of banking and investment transactions	<ul style="list-style-type: none"> Financial risk (depreciation of controversial securities in the portfolio) 	<ul style="list-style-type: none"> Deployment of the Climate strategy for coal and unconventional hydrocarbon activities
Lack of consideration for risks associated with climate change	<ul style="list-style-type: none"> Transition risk Physical risk 	<ul style="list-style-type: none"> Exploratory approach to climate risk assessment: Implementation of limits by country including climate and ESG risks

[1] Posternak Ifop barometer: <https://www.creditmutuel.com/actualites/prix-et-recompenses/barometre-posternak-ifop/credit-mutuel-banque-preferee-francais-novembre-2022.html>

[2] The claims recorded are only those of Crédit Mutuel Alliance Fédérale's scope in France, which are the only ones subject to ACPR requirements.

Non-financial information category	Performance indicators
GOVERNANCE	
<ul style="list-style-type: none"> ■ Training rate of elected members [Chapter 3.5.2] 	<ul style="list-style-type: none"> ■ Training rate of local elected members: 95.8%
<ul style="list-style-type: none"> ■ Membership rate [Chapter 3.5.2 – GOUV62; GOUV63; GOUV65] 	<ul style="list-style-type: none"> ■ Membership rate: 80.07%
<ul style="list-style-type: none"> ■ Posternak Ifop barometer⁽¹⁾ [Chapter 3.4.1] ■ Complaints monitoring indicator [Chapter 3.4.1] 	<ul style="list-style-type: none"> ■ Complaints monitoring indicator: 51,788⁽²⁾ claims recorded in 2022 ■ At constant scope, the number of claims decreased by 1% compared to 2021.
SOCIAL	
<ul style="list-style-type: none"> ■ Training indicators [Chapter 3.7 – SOC46; SOC47; SOC48; SOC50] ■ Percentage of employees who have validated training courses for insurance products ■ Transformation training rate [Chapter 3.7.2.] 	<ul style="list-style-type: none"> ■ Training indicators (i) SOC46: amount of payroll expense invested in training: €175.8 million; (ii) SOC47: percentage of payroll expense dedicated to training: 5.0%; (iii) SOC50: number of hours devoted to training: 2.5 MH. ■ Rate of employees having completed insurance product training: 90% of registered employees completed their insurance training in 2022 ■ Transformation training rate: 88% of employees trained in digital transformation
<ul style="list-style-type: none"> ■ Rate of job rotation [Chapter 3.7] ■ Absenteeism indicator: number of days of absence [Chapter 3.7 – 3.9.1 – 3.10.1 – SOC38; SOC39; SOC40; SOC41] 	<ul style="list-style-type: none"> ■ Rate of job rotation: 4.9%, excluding foreign entities and group mobility ■ Absenteeism indicator – number of days of absence: 932,114
SOCIÉTAL	
<ul style="list-style-type: none"> ■ Number of supplier charters signed [Chapter 3.6.1] 	<ul style="list-style-type: none"> ■ Number of supplier charters signed: nearly 4,250 charters were signed by CCS and Euro-Information suppliers.
<ul style="list-style-type: none"> ■ Percentage of total claims for the year related to external fraud or internal fraud [Chapter 3.4.3] 	<ul style="list-style-type: none"> ■ Percentage of total claims for the year related to external fraud or internal fraud: internal and external fraud amounted to €31.6 million and represented 23.5% of total claims. ■ At ACM level: 1,147 fraudulent files in France.
<ul style="list-style-type: none"> ■ Availability rate of primary TP⁽³⁾ applications ■ Impact of claims > €1,000 [Chapter 3.11.3.3 – 3.9.2] ■ Rate of training in GDPR [Chapter 3.11.3.3] 	<ul style="list-style-type: none"> ■ Availability rate of primary TP applications: 99.88% ■ Impact of claims > €1,000: 324 claims (331 in 2021) ■ Rate of training in GDPR: 63% of employees have completed an e-learning course on the GDPR and CNIL in its entirety.
FIGHT AGAINST CORRUPTION	
<ul style="list-style-type: none"> ■ Percentage of employees trained in the fight against corruption [Chapter 3.11.3.5] 	<ul style="list-style-type: none"> ■ Percentage of employees trained in the fight against corruption: 86% of training was performed by the employees in question in 2022.
HUMAN RIGHTS	
<ul style="list-style-type: none"> ■ Number of alerts from the “Option to report” tool [Chapter 3.11.3.4 – Audited but unpublished data] 	<ul style="list-style-type: none"> ■ Number of alerts from the “Option to report” monitoring tool: Audited but unpublished data
ENVIRONMENTAL	
<ul style="list-style-type: none"> ■ Three SMR indicators included in the 2019-2023 <i>ensemble#nouveau monde</i> (together#today's world) strategic plan: Human and Mutualist indicators [Chapter 3.2.4.2]: 	
<ul style="list-style-type: none"> ■ GHG emissions: five-year goal of 30% reduction in the group's carbon footprint [Chapter 3.2.4.2 and 3.8.1] 	<ul style="list-style-type: none"> ■ Percentage change in the group's office life scope carbon footprint in France concerning energy, refrigerant gas leaks, business travel and vehicle fleets: decrease of 21% between 2018 and 2021.
<ul style="list-style-type: none"> ■ Growth rate of renewable energy project financing commitments [Chapter 3.8.3] 	<ul style="list-style-type: none"> ■ Percentage change in renewable energy project financing commitments: overall increase of 54% between 2018 and 2022
<ul style="list-style-type: none"> ■ GHG emissions of the corporate asset management and insurance portfolios: five-year target of a 15% reduction in the carbon footprint of customer portfolios [Chapter 3.2.4.2 and 3.8.1] 	<ul style="list-style-type: none"> ■ Percentage change in the corporate portfolio's carbon footprint: 55% decrease between 2018 and 2022.
<ul style="list-style-type: none"> ■ Monitoring of exposures eligible for sector policies ■ Quarterly monitoring of limits by country 	

(3) TP: Transaction Processing – Major applications used by the banking network and customers.

Integration of climate risks

Definitions

Climate and environmental risks are commonly considered to include two main risk factors, which are: physical risk and transition risk⁽¹⁾ (source: ECB):

- physical risk refers to direct losses caused by climate change (including the increase in extreme weather events and gradual changes in climate) and environmental deterioration (such as air, water and soil pollution, water stress, biodiversity loss and deforestation);
- physical risk can be described as acute when it results from extreme events, such as drought, floods and storms, and as chronic when it results from gradual changes, such as rising temperatures, sea level rise, water stress, biodiversity loss and resource scarcity;
- it may have direct consequences, such as damage to property or reduced productivity, or indirect consequences, such as disruption of supply chains;
- transition risk refers to the financial losses that an institution may incur, directly or indirectly, as a result of the process of adapting to a low-carbon economy and more sustainable from an environmental point of view. It may arise, for example, from the relatively sudden adoption of climate and environmental policies, technological progress or changes in market behavior and preferences.

During the first half of 2021, climate risks were included in Crédit Mutuel Alliance Fédérale's general risk mapping:

- physical risk: this risk has been classified as level 4 (low risk), because the exposures are generally located in areas deemed to be of low vulnerability with regard to currently available climate change scenarios, mainly in France where there is an effective risk-taking system taking into account natural disasters. Insurance coverage also limits the risk for the bank;
- transition risk: this risk was classified as level 4 (low risk), in view of an estimate of limited losses over the next 2-3 years [forward-looking aspect of the mapping, in line with the ICAAP⁽²⁾].

The assessment of the impacts of climate risks is reviewed annually to ensure that the level selected is consistent with the various updated exposure analyses of these risks in the portfolio.

(1) ECB Guide to climate and environmental risks: Prudential risk management and reporting requirements: <https://www.bankingsupervision.europa.eu/ecb/pub/pdf/ssm.202011finalguideonclimate-relatedandenvironmentalrisks-58213f6564.fr.pdf>

(2) ICAAP : Internal Capital Adequacy Assessment Process - Processus d'évaluation de l'adéquation du capital interne.

Projection of climate risks included in Crédit Mutuel Alliance Fédérale’s mapping of significant ESG risks

In order to refine the assessment of the significance of Crédit Mutuel’s climate risks, Crédit Mutuel Alliance Fédérale took part in a working group in 2022 to develop a national materiality matrix. Crédit Mutuel Alliance Fédérale then applied it to its own scope.

This materiality matrix aims to propose an appropriate detection and measurement process to assess the materiality of the climate-related and environmental risks that weigh on its business. The study of the significance of climate risks is carried out in light of Crédit Mutuel

Alliance Fédérale’s risk appetite and the relative nature of its risk exposures.

Thus, an assessment of the impact of physical and transition risks was established on:

- three time horizons (short-term, medium-term, long-term);
- all risk categories in the global risk mapping;
- a three-level scale (level 1: low risk; level 2: medium risk; level 3: high risk).

WORK TO IDENTIFY THE IMPACTS OF CLIMATE RISKS: PHYSICAL RISK 1/2						
RISK FACTORS	RISK QUALIFICATION	RISK CATEGORY	MEASUREMENT OF THE RISK IMPACT AND TIMEFRAME			RISK MITIGATION MEASURE
			SHORT TERM < 3 YEARS	MEDIUM TERM 3-10 YEARS	LONG TERM > 10 YEARS	
<ul style="list-style-type: none"> ■ High exposure to sectors or companies highly exposed to physical risk ■ Lack of anticipation or inadequate response by the authorities and the group to take this risk into account 	<ul style="list-style-type: none"> ■ Payment default ■ Deterioration of the financial situation of certain customers ■ Decline in value of real estate collateral ■ Deterioration in the quality of the portfolio, resulting in a drop in the price of the portfolio 	CREDIT RISKS				<ul style="list-style-type: none"> ■ Work to identify the impact of physical risks by business sector and geographic area ■ ICAAP process and stress tests
<ul style="list-style-type: none"> ■ High physical exposure of the group due to the frequency and intensity of climatic events (natural disasters) ■ Lack of anticipation or inadequate response to customer needs and stakeholder expectations 	<ul style="list-style-type: none"> ■ Supply chain disruptions, unavailability of tools and the production process due to the occurrence of a natural disaster ■ Physical damage to production and processing assets ■ Risk of losing customers if they consider that the company is not doing enough for the environment - failure to advise, unintentional failure ■ Risk of fines/lawsuits for climate inaction 	OPERATIONAL RISKS				<ul style="list-style-type: none"> ■ Group internal procedure for business continuity ■ Monitoring of claims related to natural disasters ■ Work in progress to create a repository of financed or guaranteed real estate property assets that will make it possible to identify assets that are highly exposed to physical risk ■ Group decarbonization commitments ■ Sectoral policies ■ Integration of climate risk in the risk appetite framework

Scale - impact measurement: Low Average Substantial

WORK TO IDENTIFY THE IMPACTS OF CLIMATE RISKS: PHYSICAL RISK 2/2

RISK FACTORS	RISK QUALIFICATION	RISK CATEGORY	MEASUREMENT OF THE RISK IMPACT AND TIMEFRAME			RISK MITIGATION MEASURE
			SHORT TERM < 3 YEARS	MEDIUM TERM 3-10 YEARS	LONG TERM > 10 YEARS	
<ul style="list-style-type: none"> High exposure to sectors or companies highly exposed to physical risk 	<ul style="list-style-type: none"> Devaluation of portfolios (equities, bonds, government bonds) 	MARKET RISKS				<ul style="list-style-type: none"> Strict market risk limit system Regulatory watch Work to identify the impact of physical risks by business sector and geographic area
<ul style="list-style-type: none"> High exposure to sectors or companies highly exposed to physical risk 	<ul style="list-style-type: none"> ECB intervention in the markets 	INTEREST RATE RISK				<ul style="list-style-type: none"> Steering by the BFCM central treasury
<ul style="list-style-type: none"> High exposure to sectors or companies highly exposed to physical risk 	<ul style="list-style-type: none"> Withdrawal of deposits and savings by customers following a claim, increase in balance sheet imbalance, decrease in liquidity buffers 	LIQUIDITY RISK				<ul style="list-style-type: none"> Risk limitation policy for liquidity and refinancing management based on risk aversion through indicators, some with limits and thresholds specified in the ILAAP
<ul style="list-style-type: none"> High exposure to sectors or companies highly exposed to physical risk 	<ul style="list-style-type: none"> Increase in the number of claims and the type of claims in connection with climate change Inaccurate pricing of insurance policies 	CONGLOMERATE INSURANCE RISKS				<ul style="list-style-type: none"> Activity diversified between life and non-life insurance business Identification in the portfolio of securities, bonds held in companies most exposed to physical risk Monitoring of the expected evolution of losses related to natural disasters Work to identify the impact of physical risks on the real estate portfolio
<ul style="list-style-type: none"> Lack of anticipation or inadequate response by the authorities to take this risk into account 	<ul style="list-style-type: none"> Devaluation of the group's portfolio 	EQUITY AND INVESTMENT RISKS				<ul style="list-style-type: none"> Work to identify the impact of physical risks by geographic area
<ul style="list-style-type: none"> Lack of anticipation or inadequate response by the authorities to take this risk into account 	<ul style="list-style-type: none"> Decrease in NBI, financial income and increase in accounting provisions Financial impact following changes in regulations 	STRATEGIC AND BUSINESS RISK				<ul style="list-style-type: none"> Regulatory watch Work to identify the impact of physical risks by business sector and geographic area ICAAP process

Scale - impact measurement: Low Average Substantial

WORK TO IDENTIFY THE IMPACTS OF CLIMATE RISKS: TRANSITION RISK 1/3

RISK FACTORS	RISK QUALIFICATION	RISK CATEGORY	MEASUREMENT OF THE RISK IMPACT AND TIMEFRAME			RISK MITIGATION MEASURE
			SHORT TERM < 3 YEARS	MEDIUM TERM 3-10 YEARS	LONG TERM > 10 YEARS	
<ul style="list-style-type: none"> Inadequacy of customers' business models and technology to address emerging climate issues Financing on a controversial counterparty 	<ul style="list-style-type: none"> Risk of payment default Risk of impairment of existing assets Risk of deterioration in the value of collateral Deterioration in the quality of the portfolio, resulting in a drop in the price of the portfolio 	CREDIT RISKS				<ul style="list-style-type: none"> Identification of sectors with exposures sensitive to climate risks Integration of ESG criteria in lending decisions and identification of energy performance diagnostics (DPE) on real estate assets Process for integrating climate risk into the risk mapping and risk appetite framework Credit policy with alert thresholds and/or limits Coal phase-out plan Stop funding any new oil and gas exploration, production and infrastructure projects Reduction of the carbon footprint Application of sectoral policies (analysis grids including non-financial ratings of counterparties and controversies) ICAAP process and stress tests

Scale - impact measurement: Low Average Substantial

WORK TO IDENTIFY THE IMPACTS OF CLIMATE RISKS: TRANSITION RISK 2/3

RISK FACTORS	RISK QUALIFICATION	RISK CATEGORY	MEASUREMENT OF THE RISK IMPACT AND TIMEFRAME			RISK MITIGATION MEASURE
			SHORT TERM < 3 YEARS	MEDIUM TERM 3-10 YEARS	LONG TERM > 10 YEARS	
<ul style="list-style-type: none"> ■ Lack of environmental products and services offers due to lack of knowledge/skills to structure offers ■ Financing or investment on a controversial counterparty ■ Non-inclusion of climate criteria in lending/investment decisions ■ Non-compliance with environmental and climate commitments 	<ul style="list-style-type: none"> ■ Risk of losing customers if they consider that the company is not doing enough for the environment - failure to advise, unintentional failure ■ Lack of external attractiveness ■ Legal risks ■ Damage to trust that modifies the behavior of the various partners (customers, investors, suppliers, employees, regulators, etc.) towards the bank ■ Failure to meet the environmental objectives of the strategic plan 	OPERATIONAL RISKS				<ul style="list-style-type: none"> ■ Creation of a range of loans to promote eco-mobility and the energy transition of professionals, companies, farmers and individuals ■ Development of impact loans ■ Strengthening employee skills ■ Coal phase-out plan ■ Stop funding any new oil and gas exploration, production and infrastructure projects ■ Reduction of the carbon footprint ■ Application of sectoral policies (analysis grids including non-financial ratings of counterparties and controversies) ■ Alignment of activities with the climate trajectory
<ul style="list-style-type: none"> ■ Devaluation of portfolio value (equities, bonds, etc.) ■ Inadequacy of customers' business models and technology to address emerging climate issues 	<ul style="list-style-type: none"> ■ Risk of impairment of existing assets for non-compliance with environmental regulations ■ Devaluation of portfolio value (equities, bonds, etc.) 	MARKET RISKS				<ul style="list-style-type: none"> ■ Exclusion policy ■ Application of sectoral policies ■ Strict market risk limit system
<ul style="list-style-type: none"> ■ Accentuation over time of regulatory requirements and investor requirements with regard to issuers and the selection of assets eligible for issuance 	<ul style="list-style-type: none"> ■ Issue success uncertain 	INTEREST RATE RISK				<ul style="list-style-type: none"> ■ Regulatory watch ■ Incentive commercial policy in favor of the energy transition of customers

Scale - impact measurement: Low Average Substantial

WORK TO IDENTIFY THE IMPACTS OF CLIMATE RISKS: TRANSITION RISK 3/3

RISK FACTORS	RISK QUALIFICATION	RISK CATEGORY	MEASUREMENT OF THE RISK IMPACT AND TIMEFRAME			RISK MITIGATION MEASURE
			SHORT TERM < 3 YEARS	MEDIUM TERM 3-10 YEARS	LONG TERM > 10 YEARS	
<ul style="list-style-type: none"> Financing or investment on a controversial counterparty Inadequacy of customers' business models and technology to address emerging climate issues 	<ul style="list-style-type: none"> Risk of asset impairment Devaluation of portfolio value (equities, bonds, etc.) 	LIQUIDITY RISK				<ul style="list-style-type: none"> Exclusion policy Application of sectoral policies Strict market risk limit system IIAAP process
<ul style="list-style-type: none"> Financing on a controversial counterparty Increasingly restrictive regulatory impact on the real estate sector 	<ul style="list-style-type: none"> Devaluation of portfolio value (equities, bonds, etc.) Weakening of mortgage repayment capacity (potential claims) 	CONGLOMERATE INSURANCE RISK				<ul style="list-style-type: none"> ESG policy and sustainability policy Monitoring the weight of investments in emissive sectors Diversification of the activity between life insurance, savings products, protection insurance, borrower insurance
<ul style="list-style-type: none"> Inadequacy of business models and technology to address emerging climate issues for portfolio companies Financing on a controversial counterparty 	<ul style="list-style-type: none"> Devaluation of the group's portfolio 	EQUITY AND INVESTMENT RISKS				<ul style="list-style-type: none"> Group ESG policy
<ul style="list-style-type: none"> Lack of environmental products and services offers due to lack of knowledge/skills to structure offers Lack of definition of the climate trajectory: Non-inclusion of climate criteria in the granting of loans/investment decisions Rapid changes in standards and regulations Disruption of the competitive environment and strategic disruption Non-application of regulatory and supervision systems due to regulatory pressure 	<ul style="list-style-type: none"> Loss of customers: strategic and financial risk Impact on shareholders' equity and consequently on the solvency ratio Strengthening of teams, use of service providers, development of tools to comply with new regulatory requirements and new standards Changes in the business model that may affect profitability standards Regulatory default that could pose a threat to the environment and populations 	STRATEGIC AND BUSINESS RISK				<ul style="list-style-type: none"> Development of an offer meeting customer support needs Process for integrating climate risk into the risk mapping and risk appetite framework ISO 50001 certification Search for appropriate technical skills in the group's various business lines

Scale - impact measurement: Low Average Substantial

Commitments of the benefit corporation/mapping of significant ESG risks/objectives of the 2019-2023 strategic plan – Cross-reference table

The purpose of this exercise is to illustrate the relationship between the benefit corporation’s commitments, the SMR policy, the objectives of the strategic plan, and their performance indicators, which contribute to strengthening the control of significant ESG risks identified within the risk mapping. This work on consistency also ensures better understanding and clarity of the actions of the benefit corporation at the heart of Crédit Mutuel Alliance Fédérale’s business development plan.



ANALYSIS GRID






“ENSEMBLE, ÉCOUTER ET AGIR” (LISTENING AND ACTING TOGETHER): 5 MISSIONS 	COMMITMENTS OF THE SMR APPROACH 	SIGNIFICANT ESG RISKS 	SMR AMBITIONS – BENEFIT CORPORATION OBJECTIVES 	PERFORMANCE INDICATORS 
Name of the mission	Identification of the SMR commitment in connection with the mission	Identification of ESG risks related to the benefit corporation	Benefit corporation mission/SMR ambition/ ESG risks	Measurement of indicators Benefit corporation mission/ SMR ambition/ESG risks






Measurement of performance indicators:






Strategic plan: Annual measurement. Achievement of the target by 2023.






Benefit corporation: Annual measurement. Achievement of the target by 2023.

MISSION 1: As a cooperative and mutualist organization, support customers and members in their best interests.	 MEMBERS & CUSTOMERS AMBITION Listening to customers	<ul style="list-style-type: none"> ■ Risk of losing customers (lack of customer advice, unsuitable goods and services sold) ■ Risk of internal and external fraud (malice in the handling of customer/prospect banking operations) ■ Risk of downtime in bank IT system (failure of information systems security) 	<ul style="list-style-type: none"> ■ Guarantee to each customer a dedicated, non-commissioned advisor (Commitment #2 – mission 1) ■ Process and analyze complaints/satisfaction questionnaires ■ Secure banking transactions ■ Provide quality service 	<ul style="list-style-type: none"> ■ Monitoring of the networks’ customer portfolios to meet the objective ■ No commissions paid to advisors ■ Number of claims ■ Total internal and external claims for the year ■ Percentage compared to the total amount of claims ■ Rate of availability of primary TP applications
	 GOVERNANCE AMBITION Strong cooperative governance	<ul style="list-style-type: none"> ■ Risk of unattractive membership ■ Risk of compromise of the mutualist model 	<ul style="list-style-type: none"> ■ Bring democracy to life in the bank by doubling the number of members voting at Shareholders’ Meetings (Commitment#1 – mission 1) ■ Mobilize members ■ Give more room to young people and move closer to parity on the Boards of Directors from 2022 (Commitment # 3 – mission 1) 	<ul style="list-style-type: none"> ■ Change in the number of members voting at the Shareholders’ Meetings of the local banks: x2 compared to 2020 ■ Membership rate Objective: rate of 90% ■ Number of connections to AGORA ■ Number of young people elected during the year ■ Change in the number of members voting at the Shareholders’ Meetings of the local banks → Objective: increase the number of young people X 2 compared to 2020

<p>“ENSEMBLE, ÉCOUTER ET AGIR” (LISTENING AND ACTING TOGETHER): 5 MISSIONS</p> 	<p>COMMITMENTS OF THE SMR APPROACH</p> 	<p>SIGNIFICANT ESG RISKS</p> 	<p>SMR AMBITIONS – BENEFIT CORPORATION OBJECTIVES</p> 	<p>PERFORMANCE INDICATORS</p> 
<p>MISSION 2: As a bank for all, members and customers, act for everyone and refuse any discrimination.</p>	<p>SOCIAL AMBITION Diversity and equal opportunities</p>		<ul style="list-style-type: none"> Recruit 25% work-study students in priority neighborhoods and rural areas (Commitment #5 – mission 2) Train all our employees and elected members in the fight against discrimination (Commitment # 4 – mission 2) Defend gender pay equality at all levels of the bank (Commitment # 6 – mission 2) 	<ul style="list-style-type: none"> % of work-study students recruited from neighborhoods and rural areas between 2019 and 2024. → Objective: 25% of work study students recruited from neighborhoods and rural areas % of work-study students recruited on permanent contracts % of employees trained in the fight against discrimination → Objective: 100% of employees trained in the fight against discrimination Difference between the average compensation of men and women in France by classification level and by age group → Objective: equal pay for men and women by age group and classification level
	<p>SOCIAL AMBITION Support careers and mobility</p>	<ul style="list-style-type: none"> Risks of non-compliance of banking and insurance operations (skills transformation, lack of employee training) 	<ul style="list-style-type: none"> Develop the employability and skills of employees through training 	<ul style="list-style-type: none"> % of payroll expense dedicated to training Number of hours dedicated to training % of certified insurance training courses % of employees enrolled in the “digital passport” training course are certified → Target 100% of employees
	<p>SOCIAL AMBITION Promote QWL</p>	<ul style="list-style-type: none"> Risk of non-respect of procedures Risk of failure to advise Loss of NBI (demobilization of employees) 	<ul style="list-style-type: none"> Implement the framework agreement on quality of life at work and remote working in each entity concerned 	<ul style="list-style-type: none"> Rate of job rotation Number of days of absence Number of entities that have set up remote work
	<p>SOCIAL AMBITION Promoting social dialog</p>		<ul style="list-style-type: none"> Maintain an ongoing dialog with trade unions 	<ul style="list-style-type: none"> Number of group agreements signed during the year
	<p>GOVERNANCE AMBITION Effectiveness of governance bodies</p>	<ul style="list-style-type: none"> Risk of decisions inconsistent with the group’s strategy (lack of training for elected members) 	<ul style="list-style-type: none"> Train all our employees and elected members in the fight against discrimination (Commitment # 4 – mission 2) 	<ul style="list-style-type: none"> Number of mechanisms and training courses available for elected members by level of office (umbrella bodies, local banks, Board Chairs) Number of training hours Training rate of local elected members % of elected members trained in the fight against discrimination. → Target 100%

<p>“ENSEMBLE, ÉCOUTER ET AGIR” (LISTENING AND ACTING TOGETHER): 5 MISSIONS</p> 	<p>COMMITMENTS OF THE SMR APPROACH</p> 	<p>SIGNIFICANT ESG RISKS</p> 	<p>SMR AMBITIONS – BENEFIT CORPORATION OBJECTIVES</p> 	<p>PERFORMANCE INDICATORS</p> 
<p>MISSION 3: Respectful of everyone’s privacy, place technology and innovation at the service of people.</p>	<p>MEMBERS & CUSTOMERS AMBITION Risk management</p>	<ul style="list-style-type: none"> ■ Risk of non-respect of General Regulation on the protection of customer data 	<ul style="list-style-type: none"> ■ Guarantee the privacy of our customers’ data in processing 99.9% of their information in our infrastructures and systems located in France (Commitment #7 – mission 3) 	<ul style="list-style-type: none"> ■ % of employees trained in GDPR ■ % of information processed on infrastructures and systems located in France and operated by Euro-Information → Target: 99.9% of customer information processing on infrastructures and systems located in France
	<p>MEMBERS & CUSTOMERS AMBITION Listening to customers</p>		<ul style="list-style-type: none"> ■ Invest productivity gains from artificial intelligence in employment and development (Commitment #8 – mission 3) 	<ul style="list-style-type: none"> ■ Time savings achieved through the use of AI (in number of FTEs) and increase in headcount between 2019 and 2022
<p>MISSION 4: As a solidarity-based company, contribute to regional development.</p>	<p>SOCIETAL AMBITION Regional development</p>		<ul style="list-style-type: none"> ■ Anchor decision-making centers in the regions with more than 90% of our lending decisions taken at banks and branches (Commitment #9 – mission 4) 	<ul style="list-style-type: none"> ■ % of decisions taken at branch-level → Objective: more than 90% of credit decisions taken at banks and branches
		<ul style="list-style-type: none"> ■ Support the associative fabric 		<ul style="list-style-type: none"> ■ Change in the number of NPO customers
		<ul style="list-style-type: none"> ■ Offer the Pay Asso digital payment solution to our associations and civil liability coverage to their managers (Commitment #10 – mission 4) 	<ul style="list-style-type: none"> ■ Invest 5% of our equity mainly in innovative French companies (Commitment # 11 – mission 4) 	<ul style="list-style-type: none"> ■ Number of multi Asso insurance taken out during the year with legal protection ■ Number of Pay Asso contracts subscribed
<p>SOCIETAL AMBITION Promoting local initiatives</p>		<ul style="list-style-type: none"> ■ Encourage microloans ■ Sign partnerships in favor of projects for education, sport, music, culture, and professional reintegration 	<ul style="list-style-type: none"> ■ Patronage and sponsorship budget 	

<p>“ENSEMBLE, ÉCOUTER ET AGIR” (LISTENING AND ACTING TOGETHER): 5 MISSIONS</p> 	<p>COMMITMENTS OF THE SMR APPROACH</p> 	<p>SIGNIFICANT ESG RISKS</p> 	<p>SMR AMBITIONS – BENEFIT CORPORATION OBJECTIVES</p> 	<p>PERFORMANCE INDICATORS</p> 
<p>MISSION 5: As a responsible company, actively work for a fairer and more sustainable society.</p>	<p>ENVIRONMENTAL AMBITION Reduce the environmental impact of the group</p>	<ul style="list-style-type: none"> Regulatory risk Reputation risk 	<ul style="list-style-type: none"> Reduce the group's carbon emissions by 20% and the carbon footprint of our investment portfolios by 12% by the end of 2022 (Commitment # 12 – mission 5) 	<ul style="list-style-type: none"> Internal carbon footprint → Objective: 20% reduction in the group's internal carbon footprint for the energy leakage of refrigerant gases, motor fleet, business travel scope
		<ul style="list-style-type: none"> Regulatory risk Reputation risk 	<ul style="list-style-type: none"> Reduce of the carbon footprint of corporate insurance portfolios 	<ul style="list-style-type: none"> Carbon footprint of the corporate insurance and asset management portfolios → Objective: 12% reduction in the carbon footprint of the corporate, insurance and asset management portfolios
		<ul style="list-style-type: none"> Financial/climate risk 	<ul style="list-style-type: none"> Immediately stop funding for new oil and gas projects (Commitment #13 – mission 5) 	<ul style="list-style-type: none"> Monitoring of exposures eligible for sectoral policies → Objective: no new projects in oil and gas. Totally eliminate the financing of coal
		<ul style="list-style-type: none"> Climate risks 	<ul style="list-style-type: none"> Apply exposure limits by country that include climate risks 	<ul style="list-style-type: none"> Quarterly monitoring of limits by country
	<p>ENVIRONMENTAL AMBITION Strengthen solutions and high-quality offers and responsible service</p>	<ul style="list-style-type: none"> Risk of losing customers 	<ul style="list-style-type: none"> Increase renewable energy financing between 2019 and 2023 	<ul style="list-style-type: none"> Change in outstanding amounts of cumulative renewable energy authorizations through project financing → Objective: 30% increase in renewable energy financing between 2019 and 2023

<p>“ENSEMBLE, ÉCOUTER ET AGIR” (LISTENING AND ACTING TOGETHER): 5 MISSIONS</p> 	<p>COMMITMENTS OF THE SMR APPROACH</p> 	<p>SIGNIFICANT ESG RISKS</p> 	<p>SMR AMBITIONS – BENEFIT CORPORATION OBJECTIVES</p> 	<p>PERFORMANCE INDICATORS</p> 
<p>MISSION 5: As a responsible company, actively work for a fairer and more sustainable society.</p>	<p>MEMBERS & CUSTOMERS AMBITION Banking inclusiveness</p>		<ul style="list-style-type: none"> Be the bank for all customers: supporting customers in vulnerable situations Insure the real estate loans of our loyal customers without any medical formalities⁽¹⁾ (Commitment# 14 – mission 5) Commit to customers in financial difficulty with an account at €1 net per month with no incident fees (Commitment # 15 – mission 5) 	<ul style="list-style-type: none"> Number of customers equipped with the Fragile Customer Offer (OCF) Number of employees trained to handle vulnerable customers Number of customers detected Number of customers benefiting from the elimination of the health questionnaire Number of customers in financial difficulty benefiting from the service
	<p>MEMBERS & CUSTOMERS AMBITION Listening to customers</p>	<ul style="list-style-type: none"> Risk of corruption (non-compliance with procedures) Risk of exposure through banking and insurance activities Risk of non-respect of the vigilance plan (controversies over the non-respect of human rights) 	<ul style="list-style-type: none"> Fight against corruption Respect human rights 	<ul style="list-style-type: none"> % of employees trained in the fight against corruption Number of alerts
	<p>SOCIETAL AMBITION ESG purchasing policy</p>	<ul style="list-style-type: none"> Risk of non-respect of the vigilance plan (lack of awareness of the ESG issues in the group purchasing policy) 	<ul style="list-style-type: none"> Applying the ESG purchasing policy Have suppliers sign the sustainable purchasing charter 	<ul style="list-style-type: none"> Number of supplier charters signed

⁽¹⁾ This scheme is reserved for customers whose main income has been with CIC for seven years. The insured amount is up to €500,000 per borrower and the policyholder must be under the age of 62 at the time of underwriting.



3.4 MEMBER AND CUSTOMER AMBITIONS

3.4.1 Being attentive to members and customers

The group's objective is to create a lasting relationship with its customers and members. The objective is to ensure that members and customers receive the best advice so that they are always offered the products and services they need.

Ensuring the coherence of offers and control of all advertising messages, as well as providing contractual explanations, respecting members' customers' rights in all circumstances and during collection operations and the rules related to canvassing operations and processing complaints, are issues that concern all team members of the group's entities regardless of their profession.

To measure and enhance the quality of customer relations, the teams in the marketing and sales departments carry out analyses *via* a multi-channel, customer-oriented approach, where clients are asked to voice their opinions throughout their customer experience and encouraged to take part in product creation discussions.

A system including a series of customer satisfaction measures has been rolled out across all Crédit Mutuel Alliance Fédérale entities. This system, managed and coordinated by the sales department, is based primarily on two pillars:

- measuring customer satisfaction *via* multi-year surveys. In 2022, 30,000 individual and professional customers of the Crédit Mutuel and CIC networks took part in a relationship NPS survey. For the first time, customers were asked about a more general and lasting perception of their satisfaction and not as part of an offer or an action. The results provide a barometer of customer relations at all points of contact (local bank/branch, telephone platform, app, etc.) and in various markets (high net worth, professionals, young people, etc.). With extensive local coverage, each federation and each bank also has its own results in order to be able to situate itself and work on its own areas for improvement. Customer recommendation level (NPS score)^[1] is established at a high level, particularly in the banking sector, regardless of the contact channel;

- measurement of customer satisfaction through immediate surveys. After each appointment, customers are asked to answer a single question on the bank's recommendation rating. If the rating obtained is less than 6/10, a call is scheduled to understand the areas for improvement, correct the expected service and thus improve the customer experience. In addition, the network's branches have a dedicated reporting tool which enables to consult various quantitative indicators, identify problems in the relationship with their customers and implement corrective actions. An additional application is also made available to view customer feedback. These resources deployed in the network's branches serve a single purpose: make quality at top priority in customer relationships.

In addition, the Posternak-Ifop^[2] barometer, a quarterly ranking of companies' corporate image, confirmed Crédit Mutuel's leadership ranking in the banking sector with a score of 47/100 in the fourth quarter of 2022 in a difficult economic context. In addition, the Crédit Mutuel and CIC networks again won awards at the 2023 Bank Quality Awards^[3]. Out of the six customer relations channels observed, Crédit Mutuel was on the podium six times, and even obtained the best satisfaction rating on four occasions, for the quality of its branches, its remote customer service, its advisors for everyday needs and its website. CIC won five awards, including two first places.

CIC won the Podium de la Relation Client^[4] 2022 for the banking sector.

[1] The NPS or Net Promoter Score is a loyalty indicator measuring customer recommendation. It is calculated by taking the percentage of promoters (score from 9 to 10) and subtracting the percentage of detractors (score from 0 to 6). The NPS is thus expressed via a number between -100 and +100.

[2] The Posternak-Ifop barometer was created to help companies analyze citizen reactions and consumer behavior. <https://www.creditmutuel.com/fr/actualites/prix-et-recompenses/barometre-posternak-ifop-credit-mutuel-banque-preferee-francais-novembre-2022.html>

[3] OpinionWay survey for MoneyVox conducted from September 26 to October 19, 2022 among a sample of 5,013 French bankers recruited from a representative sample of the French adult population. <https://www.moneyvox.fr/banque/trophees-de-la-banque/qualite.php>

[4] Survey conducted by BearingPoint and Kantar in partnership with Salesforce, among a representative national sample of 4,000 French customers aged 18 and over, interviewed online at the end of 2021 on the quality of the relationship between them and companies in 11 business sectors. An additional study asks 1,000 employees of private and public companies about their perception of their company and the means implemented to improve customer relations.

Listening to members and customers of Assurances du Crédit Mutuel

In 2021, Assurances du Crédit Mutuel (ACM) conducted satisfaction surveys on the six lines of business, for their policyholders who had suffered a claim. The overall satisfaction rate is over 90%, highlighting the high quality of service provided. In addition, a “Customer Voice” function for digital services is available to customers in the online insurance space. It collected more than 20,000 reviews for an overall rating of 4.6/5 in 2021: customers valued the access to e-services and the user experience, in particular thanks to the ease of navigation and use, the speed of declaring a claim and the simplicity of managing the documents to be provided. In 2022, the quality of service provided by ACM was also recognized by the labels of excellence awarded by *Les Dossiers de l'épargne* for five of its products: motor insurance and multi-risk property insurance, followed by life accident insurance, the life insurance plan (privilege offer) and the PER company pension insurance.

3.4.2 Banking inclusion

Crédit Mutuel Alliance Fédérale is the bank for all customers and is attentive to supporting all those going through difficult life situations, be they structural, social or short-term. The diversity of situations of vulnerability can lead to financial precariousness requiring the implementation of a strategy that is attentive to the populations concerned.

As part of this approach, the entities of Crédit Mutuel Alliance Fédérale undertake, by way of a practical action plan, to respect mutualist values and the professional codes of ethics and compliance. Crédit Mutuel Alliance Fédérale has published a policy in favor of fragile or vulnerable customers.

This policy describes all of the specific commitments made by Crédit Mutuel Alliance Fédérale to promote banking inclusion for customers in a situation of fragility and supplements other customer protection measures designed to foster behavior that is respectful of the interests of customers and good business practices.

A fragile or vulnerable customer committee guarantees the effective implementation of regulatory obligations and best practices concerning the protection of fragile or vulnerable customers and promotes banking inclusion.

As in previous years, under the aegis of the Fragile or Vulnerable Customer Committee, the implementation of the recommendations of the OIB – Banque de France, the expectations of the public authorities and the recommendations of the ACPR resulting from the due diligence performed in 2019, 2020 and 2021 concerning vulnerable customers and the cap on bank fees continued as part of the review of the changes with the greatest impact:

- deployment in 2022 of a model-based statistical detection system for predictive fragility. Customer files identified this way are handed over to customer relationship managers, *via* the debtor management application, in order to implement the appropriate support measures;

Processing of claims

In 2022, Crédit Mutuel Alliance Fédérale recorded 51,788⁽¹⁾ claims within its entities located in France against 41,418 in 2021. At constant scope, the number of claims decreased by 1% compared to 2021.

For the 14 federations belonging to Caisse Fédérale de Crédit Mutuel and to CIC banks, the number of claims totaled 39,108 in 2022. Claims handled by level 2 represent 0.57 claims per 1,000 customers.

- establishment of a network of vulnerable and fragile Customer Referents to meet the expectations of the joint ACPR-AMF division. As the main contact for the branches, the referent contributes to the dissemination and implementation of good practices with regard to vulnerable and fragile customers (in particular, isolated vulnerable seniors, protected third parties), particularly concerning the marketing of financial savings; he or she also ensures that the commercial proposals and equipment are appropriate to the needs of the customers concerned.

In 2022, as in previous years, Crédit Mutuel Alliance Fédérale entities concerned carried out regulatory reporting incorporating quantitative and qualitative data concerning fragile or vulnerable customers for the ACPR (under the questionnaire on commercial practices and customer protection) and the Observatory for Banking Inclusion.

In addition, customers insured with ACM benefit from services that simplify their procedures:

- the *Avance Santé* card exempts ACM policyholders from having to advance their health expenses and thus facilitates access to care. Spouses and children over the age of 15, also covered by the contracts, can obtain this card at no additional cost. The functionalities are regularly enhanced and contactless payment is possible up to €50. In 2022, nearly one million cards were in circulation and nearly half a billion euros in health costs were advanced to policyholders. That same year, the design of the *Avance Santé* card was revised with the addition of a notch for the visually impaired and this new card is made of more than 85% recycled materials;

(1) The claims recorded are only those of Crédit Mutuel Alliance Fédérale's scope in France, which are the only ones subject to ACPR requirements.

- the pure and simple abolition of medical formalities was put in place in borrower insurance for loyal customers, on real estate loans, within the framework of the purchase of the principal residence in November 2021 (under conditions). At the same time, loyal customers already in the portfolio saw any additional premiums or exclusions related to their health condition waived. Bank customers who have domiciled their main income with Crédit Mutuel Alliance Fédérale for at least seven years, or who already have borrower insurance with ACM for their main residence, for an amount of up to €500,000 per borrower and for a policyholder aged less than 62 years at the time of underwriting, are eligible for this solidarity-based scheme to eliminate medical formalities. This ACM scheme complements the one subsequently introduced by the so-called Lemoine law which, since 2022, has abolished the health questionnaire for loans of up to €200,000 per borrower for a total repayment scheduled before the policyholder's 60th birthday. In this respect, Crédit Mutuel Alliance Fédérale was awarded the *Grand Prix 2022 de la Good Économie* for having pioneered the elimination of the health questionnaire in access to home loan insurance. This prize rewards the best initiatives of companies committed to an ecological, social and solidarity-based transformation of their activities. The group also received the *Prix d'Or 2022 de la Good Économie* in the Ensuring Access to Sustainable Products and Services category for this same solidarity initiative.

Finally, in order to support the associations in their commitment, ACM is mobilizing by offering directors' civil liability insurance to the managers of customer cultural and sports associations, under certain conditions.

3.4.3 Risk management

Crédit Mutuel Alliance Fédérale provides a high level of continuous training to its employees to ensure them an in-depth understanding of prevention measures related to the fight against money laundering and the financing of terrorism and develops technological solutions, in particular cognitive solutions, to make them even more efficient. Added to this is the willingness of the group to prevent the employees concerned from finding themselves in a situation of conflict of interest and/or corruption by knowing the active and/or passive practices of private players and public agents.

In addition to the measures already in place since 2019, Crédit Mutuel Alliance Fédérale has implemented a vigilance plan^[1] to prevent serious violations of human rights and health and safety, and of the security of people and the environment within the framework of its activities. Actions related to the proper application of the vigilance plan are identified in particular with regard to customers – project financing, sectoral policies, etc. – suppliers – group purchasing policy, supplier relations charter, etc. – and employees – internal procedures and preventive measures-

A whistleblowing system and procedure for reporting the existence or occurrence of risks is in place and a monitoring mechanism to analyze actions has been implemented. The monitoring indicator, overseen by the compliance department, is verified by an independent third party, but not published for reasons of confidentiality.

[1] Details of the vigilance plan are presented in section 3.11 of this chapter.

FIGURES ON ACTIONS IN FAVOR OF FRAGILE AND VULNERABLE CUSTOMERS



The group's code of conduct

It is implemented by each entity in the group. This registration document, appended to the internal rules, contains the main provisions of applicable agreements, regulations and laws in terms of ethics. It is a reminder of the general principles that must be respected by all group employees in exercising their duties such as:

- the rules and regulations, procedures and internal standards;
- the protection of information (professional secrecy and confidentiality);
- the duty of quality of service to customers (duty to provide advice and information);
- the duty of vigilance in the context of performing transaction for customers;
- integrity and probity;
- the prevention of conflicts of interest;
- the fight against corruption.

It refers to the obligations of employees who hold positions deemed sensitive, especially in Capital Markets, corporate and investment banking, portfolio management and financial analysis, exposing their holders to possible situations of conflict of interest or to possessing confidential and privileged information. To that extent, they are subject to the rules that regulate and limit their personal transactions on financial instruments.

The latest version of the code of conduct, updated in early 2020, was adopted at the end of the legal consultation process with the trade unions. Since 2018, the code includes a chapter dedicated to the fight against corruption, which constitutes the code of conduct in this area.

The management is asked to monitor the respect for these principles whose application is subject to regular verification by the control and compliance departments.

Regarding internal and external fraud at Crédit Mutuel Alliance Fédérale, it should be noted that the amount of claims totaled €31.6 million in 2022. The breakdown of claims compared to total claims is 0.9% for internal fraud and 22.5% for external fraud.

Focus on the anti-corruption system

Crédit Mutuel Alliance Fédérale has set up a system for detecting, preventing and combating corruption in accordance with the law No. 2016-1691 of December 9, 2016, on transparency, the fight against corruption and the modernization of economic life, the Sapin 2 Law, which draws on a number of internal procedures and specific actions:

- risk mappings for corruption and conflicts of interest;
- a code of conduct;
- personnel training on respecting good business practices and combating corruption and influence-peddling;
- the obligation to declare gifts and benefits received or given;
- taking into account the risk of corruption in the assessment of the customer's risk profile;
- an internal whistleblowing system for employees;
- a system for processing customer claims;
- an internal control and evaluation plan on the application of these measures.

This provision furthermore relies on a disciplinary system incorporated into internal rules and regulations, which allows for sanctioning company employees in the event of violating internal rules.

All employees, customers and business partners are informed of the commitment to combat all kinds of corruption in the group and of the zero tolerance for corrupt behavior. This is set out in the combating corruption policy which applies to all employees whether technicians or managers, all senior directors and to external staff seconded to the company.

In 2022, 86% of training courses on rules of conduct, including the fight against corruption and/or the fight against money laundering and the financing of terrorism were completed by Crédit Mutuel Alliance Fédérale employees. The compliance department is responsible in particular for deploying procedures to prevent and combat corruption, verifications to ensure compliance, organizing any investigations, together with the competent services, in the event of suspicion and responding to inquiries by employees about actual or potential situations of corruption. The compliance department which reports to Crédit Mutuel Alliance Fédérale's risk department has the independence and the resources required to carry out its task with complete impartiality.

Focus on the mechanism for fighting money laundering and terrorism financing

Crédit Mutuel Alliance Fédérale has also implemented a mechanism to combat money laundering and the financing of terrorism in accordance with legal and regulatory requirements adapted to the risks generated by the various activities exercised across the national territory and abroad. This mechanism, including a set of procedures and tools, is implemented by employees trained to detect suspect operations. It is itself subject to thorough internal controls and is subject to regular evaluation on the part of supervisory authorities.

Crédit Mutuel Alliance Fédérale therefore strives to respect the regulatory requirements in this context which involve:

- knowing customers and their operations better and assessing the risk of money laundering with the aim of avoiding any relationship whose character or activities could be unclear;
- exercising vigilance in proportion to the risks, based on the type of clientele, the installation, the products and distribution channels, on the origin of funds deposited and/or the flow of such funds in order to detect unusual or atypical operations;
- mobilizing all employees in the fight against money laundering and terrorist financing through regular training and awareness campaigns.

Crédit Mutuel Alliance Fédérale prohibits all direct or indirect relationships with offshore domiciliation companies or consulting firms offering offshore structures. It is also prohibited to advise such companies or firms.

Focus on the system to fight tax evasion

Crédit Mutuel Alliance Fédérale implements, both in France and in the foreign countries where it is established, all regulations aimed at improving compliance with tax obligations at the international level and allowing for tax transparency, including Directive 2011/16/EU of February 15, 2011 on administrative cooperation on tax matters ("DAC 1 Directive") as amended, notably, by Directive 2014/107/EU of December 9, 2014 on the automatic exchange of information (AEI) on financial statements according to a common reporting standard ("DAC 2 Directive") and by Directive 2018/822/EU of May 25, 2018 concerning the automatic and mandatory exchange of information on tax matters in relation with cross-border arrangements that must be declared ("DAC 6 Directive").

Crédit Mutuel Alliance Fédérale also implements the American regulation known as FATCA Foreign Account Tax Compliance Act, under the terms of the Inter-Governmental Agreements - IGAs, signed by the United States with other countries, including the IGA between France and the United States signed on November 14, 2012 to improve compliance with tax obligations at the international level and to implement the law on compliance with tax obligations concerning foreign accounts.

Moreover, Crédit Mutuel Alliance Fédérale has several sectoral policies including a policy for private banking customers:

- i) which reiterates that operations involving structuring customers' assets must not favor the concealment, fraud or evasion of tax and more broadly that cross-border activities, notably advice and commercialization, must be performed in strict compliance with the laws and standards in force in the customer's country of residence; and
- ii) requires the respect of "Know Your Customer" (KYC) procedures which are reinforced for non-resident customers with a requirement for a tax compliance certificate in their country of residence.

Crédit Mutuel Alliance Fédérale also prohibits any dealings with a person who is domiciled in a state which does not implement the automatic exchange of information as stated above, apart from an exception which has been properly validated in accordance with a strictly controlled procedure. New relationships with politically exposed persons (PEP) residing in such a country are not authorized in any case.

No branches in non-cooperative States or territories for tax purposes

Crédit Mutuel Alliance Fédérale has no establishments and does not run any business activity in a non-cooperative State or territory for tax purposes as listed by France under Article 238-0 A of the French General Tax Code and by the European Union.

Respect of transfer pricing regulations

Crédit Mutuel Alliance Fédérale applies all the regulations both in France and in the countries where it is located in relation to transfer pricing, *i.e.* the obligation under the principle established by the OECD of applying a "fully competitive" price to transactions realized between the group's entities in different countries:

- the establishment of the declaration country by country in accordance with OECD standards (see Article 223 quinquies C of the French General Tax Code), which the tax authorities can automatically exchange by applying the multilateral agreement signed by France on January 27, 2016;
- annual establishment of transfer pricing documentation in accordance with the OECD's recommendations and the requirements of the tax legislation of the State of establishment (see Article L.13 AA of the French General Tax Code).

Criteria for beginning a new customer relationship

Crédit Mutuel Alliance Fédérale has an internal policy for entering into customer relationships which applies to all its entities in France and abroad. The group supports its customers in the realization of their projects by being attentive to the management of risks, particularly the risk of reputation. In view of this, it refuses on principle any relationship with third parties about which one may reasonably believe they carry out or promote, explicitly or implicitly, illegal practices or practices contrary to the group's values, such as:

- the advocacy or incitement to terrorism;
- the call to hatred, violence or attacks on the human person;
- discrimination, particularly of a racist or homophobic nature;

- pedophilia, pimping;
- active or passive corruption, money laundering;
- undeclared labor or fiscal fraud.

In addition, for the specific risks they create for the bank, relationships with natural or legal persons with ties to certain activities are not acceptable, such as prostitution or pornography, sects, fortune telling or astrology, arms trade, etc.

More generally, the bank does not pursue relationships with third parties when the economic or social interests and/or local or regional proximity does not seem obvious, but also when conditions of transparency or trust are not (or no longer) present.

New relationships and customers of so-called "sensitive" countries

The mechanism that exists in terms of managing operations and customers located in countries deemed sensitive has been strengthened since 2016. The compliance department is responsible for identifying, establishing and disseminating within the group lists of countries according to their degree of sensitivity: green (low risk), orange (standard risk), red (high risk and reinforced procedure) and black (very high risk). The purpose is to define progressive procedures or bans pertaining to new relationships with customers who reside in the concerned countries.

In addition to the regulatory criteria used under the classification system (countries listed by the FATF, Financial Action Task Force, high-risk third countries listed by the EU, etc.), countries that do not automatically exchange information according to OECD standards are classified in the red list. For these countries, new relationships are not authorized with the exception of those duly validated by a strictly controlled procedure. New relationships with politically exposed persons residing in a country on the red list are not authorized in any case.

Representatives of interests

The Sapin 2 Law of December 9, 2016 created a special regime for interest representatives, modified by the law of February 21, 2022 known as "3DS", supervised by the *Haute autorité pour la transparence de la vie publique* (HATVP -High Authority for Transparency in Public Life), providing for:

- the obligation to apply a strict code of conduct;
- the obligation to register on the HATVP digital directory, which provides information to citizens on relations between interest representatives and public authorities;
- the annual statement of activities within three months of the end of the fiscal year.

The Crédit Mutuel group's framework procedure, which applies the regulations in force on interest representatives and was drawn up under the aegis of the CNCM, is the registration document that applies uniformly to the various regional groups in the group. The General Secretariat of CNCM is responsible for registering entities that meet the required criteria in the HATVP digital directory as well as sending the respective annual reports to this authority.



3.5 GOVERNANCE AMBITIONS

3.5.1 Effectiveness of the governance bodies

The purpose of the data presented under governance ambitions is to reflect the operating model of Crédit Mutuel Alliance Fédérale. This data is taken from several sources:

- the mutualist reporting, entered from February 1 to March 2, 2023, by the local banks of Crédit Mutuel Alliance Fédérale (excluding CMNE). The local bank managers enter this information at a Board of Directors' meeting in conjunction with the elected members. The aim of this reporting is to analyze, for the previous year, the institutional issues of the local banks. For information entered in early 2023 corresponding to fiscal year 2022, 1,328 out of 1,350 local banks responded and approved the questionnaire, *i.e.* a response rate of 98.37%;
- the administrative data of elected members: offices, functions, age etc. This data is entered by the local bank managers throughout the year as necessary and notably when terms of office are renewed;
- training of elected members: a common application is used across the 14 federations. It provides data on the training courses taken, including length and attendance. For the federations that do not use this tool, the same data is managed by the General Secretariat's office at each federation. The code of conduct applicable to all the group's elected members and employees stipulates that "elected members and employees must regularly update their knowledge in order to improve their skills and better fulfill their responsibilities." In this respect, a training catalog is available to elected members, with multiple themes, and in particular sessions that reiterate the fundamental duties and responsibilities for the appropriate exercise of their office. A skills development plan for mutualist elected members was put in place to enable the professional and academic careers of elected members to be recognized. This system, set up in 2020, provides each elected member with an extensive and diversified range of training courses adapted to their role and responsibility within the mutualist organization;
- post-Shareholders' Meeting report: the local bank managers are invited to enter information about the organization of their Shareholders' Meeting after it has been held. The information provided pertains to the length and cost of Shareholders' Meetings, the attendance rate and the issues raised, etc.;
- in addition, certain data is gathered from the management control IT system, notably information concerning the number of members.

Membership, voluntary membership

As of December 31, 2022, the percentage of customer members of the 14 federations represents 80.07% of eligible customers.^[1]

In 2022, Crédit Mutuel Alliance Fédérale's banks welcomed 437,042 new members and saw the departure of 218,398 members. These members elect the directors of the various local banks, at the Shareholders' Meeting.

Welcoming new members

When entering into relationships with new members, the mutualist model, a differentiating factor in its mode of operation is explained in 74.7%^[2] of cases. At the same time, employees are trained in mutualist governance and 79.07%^[2] of bank employees have completed this training.

To increase the number of member customers in the banks, 39.08% of them carry out specific actions such as welcome meetings to present the role and responsibility of a member [8.2%]^[3] and/or send specific information, notably on the information addressed during the Shareholders' Meeting [26.58%]^[2].

Boards – Democratic control

In 2022, 821 newly elected members joined the boards of the local banks following the elections at the local banks' Shareholders' Meetings. The average term of an appointment has increased slightly and is eight years and four months for directors on Supervisory Boards and seven years and ten months for Boards of Directors.

This data is entered by the local bank managers throughout the year as necessary and notably when terms of office are renewed. The average age of directors is 59 [57 for women and 60 for men].

In addition, 34.41%^[2] of local banks carry out actions to feminize their Boards of Directors and/or Supervisory Boards. For some local banks this is a priority [457 local banks]^[2].

[1] Definition of the membership rate: number of members / (number of adult individual customers + legal person customers).

[2] This indicator does not include the CMNE federation.

[3] The percentage is down sharply due to the health context.

SOCIOPROFESSIONAL CATEGORIES OF ELECTED MEMBERS IN 2022

	2022	2021
Farmers	772	806
Trades people – merchants – business owners	1,848	1,786
Senior executives	4,014	4,005
Intermediary professions	1,785	1,808
Employees	1,530	1,643
Workers	269	262
Retired individuals	4,939	5,110
Other persons not actively employed	370	321

3.5.2 Membership momentum

The smooth running of cooperative activities is underpinned by the wealth of opinions and expectations of the members. The aim is to enhance the attractiveness of mutualist values, particularly among young employees, and to take advantage of the Shareholders' Meetings of local banks, which is the basis of the democratic mutual model, as real opportunities for dialog and discussion. In addition, the role of the Boards of Directors is to validate the strategic choices of the local banks and to represent the community of members.

The key actions to be carried out are:

- to increase the attractiveness of the Shareholders' Meetings of the local banks, which are the basis of the democratic model, particularly among young working people, and turn them into genuine opportunities for dialog and discussion; to reinforce the role of the Boards of Directors in choosing the orientations of the local bank and in representing the community of members. To this end, Crédit Mutuel Alliance Fédérale has made a commitment as part of its status as a benefit corporation to increase the representation of young people on the Boards of Directors from 2022.
- to promote diversity, in all its aspects, of members and their elected members on the Boards of Directors and Supervisory Boards;
- to develop the skills of elected members by offering differentiated and customizable training programs;
- to promote the involvement of the elected members alongside the manager and employees of the local bank in local events.

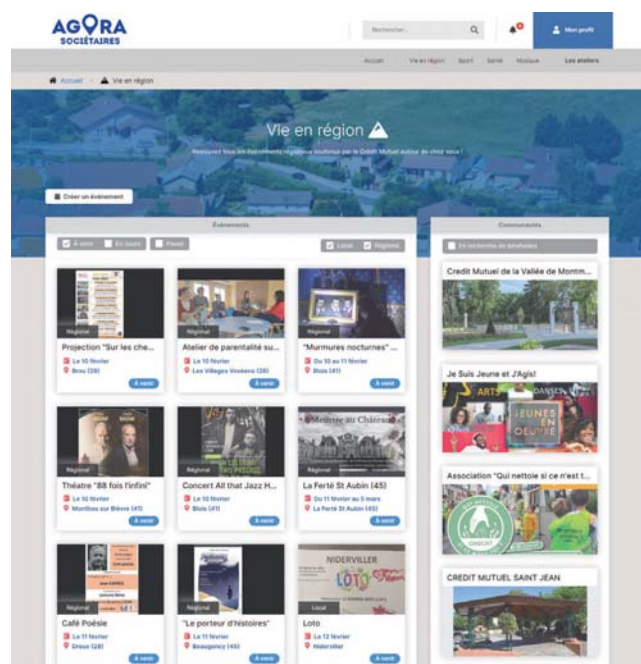
To boost mutualist life and facilitate interactions between members, in 2020 Crédit Mutuel Alliance Fédérale created Member Agora – a social network and collaborative exchange platform – whose main objectives are to:

- promote the operating model of the cooperative bank among customers through the commitment of elected representatives, members and employees;
- build relationships based on shared areas of interest and enable members to play an active role in their bank, to support and promote the local actions of their bank;
- inform members, and share and promote local initiatives carried out by the regions around different themes: health, music, good deals, etc.;
- allow each federation to create its own community and run a news feed that is commented on, relayed and shared by members. Likewise, the local banks can create their own communities to boost the role of members by directly involving them in these events.

Member Agora was rolled out in 2021 across all Crédit Mutuel Alliance Fédérale federations and since, over 324,000 users shared their opinions and comments on the platform around events or communities related to music, health, local life and sports activities. 908 local bank communities have already been created by elected members to promote the actions of their local bank, the partnerships forged and the support provided to associations and offer direct exchanges with members.

Since the beginning, 3,899 events shared on the Member Agora platform and 1,334 communities around passions or associations have been created by Crédit Mutuel Alliance Fédérale members and employees.

In order to improve the user experience of elected members and members, the platform benefits from permanent ergonomic improvements based on member feedback. Thus, in 2022, the option of announcing a search for volunteers was added, as well as a mileage cursor enabling the member to choose the posting rules, the priority of visibility to local actions before regional actions, the transfer of management of a community at the initiative of its creator. All the elected members now also have access to a portal that brings together all the information on Member Agora as well as a follow-up of each local bank.



Training courses and support for the elected members

The members of the Boards of Directors and Supervisory Boards of banking institutions are subject to the skills requirements imposed by European banking regulations. In addition to these requirements, Cr dit Mutuel Alliance F d rale ensures that the members of the boards can carry out their duties under the best possible conditions and as such, has adopted a skills development plan for mutualist elected members and directors based on three objectives:

- the first is to develop the skills of the elected members and provide customized, targeted training programs delivered by mutualist members and employees. These paths must be broken down according to the different levels of office of each elected member, board members of umbrella structures and federations, the chairs of Boards of Directors and/or Supervisory Boards, and elected members of local banks of Cr dit Mutuel Alliance F d rale. These courses are supplemented by themes that reflect the *ensemble#nouveau monde, plus vite, plus loin!* [together#today's world, faster, further!] strategic plan;
- the development of elected members' skills structures the second objective, the aim of which is to encourage members to become elected members, to promote diversity among elected members, through multiple educational and digital systems (face-to-face training, webinars, micro-training courses during board meetings, online self-training programs), supplemented by certification modules allowing elected members to showcase their mutualist commitment in a professional context. The group pays particular attention to supporting young elected members during the first years of their term of office by providing in-depth training on the group's activities. The key challenge is to ensure that young members are successfully integrated into mutualist life and to retain them over time;

- the third objective is to deliver digital tools to improve and facilitate the experience of elected members in training. Thanks to an information system shared by all the 14 federations, elected members are provided assistance throughout the training process: training catalog, online registration, evaluation of the quality of training, self-training portal, and soon the electronic signature to sign the attendance sheet and the reimbursement of expenses.

These actions are part of a mutualist ecosystem, which aims to build a community plan mobilizing all stakeholders in the training ecosystem for elected members: correspondents in each local bank, federal and inter-federal commissions, elected leaders and employees and implemented by each federation under the principle of subsidiarity.

In 2022, the percentage of local elected members trained was 95.8% (GOUV 56) with 14,879 local elected members having followed at least one training course (GOUV 55), with 43,177 training sessions delivered, up 32.5% compared to 2021. This increase is due to the effectiveness of the multi-channel strategy adopted for the training of elected members and directors, backed by a high level of participant satisfaction. A university degree was created in partnership with the University of Strasbourg and a first cohort of 64 elected members and directors graduated in July; a second cohort of 62 students is underway. This diploma aims to recognize the achievements of their volunteer commitment on the Board of Directors or Supervisory Board of a Cr dit Mutuel local bank, and to promote their skills in order to support their professional development.

In addition, 2022 was marked by the commitment to train each elected member to fight against any discrimination as part of the status of a benefit corporation: all the local banks were mobilized in this effort, with more than 14,240 elected members trained, *i.e.* 91% of elected members. Elected members who were absent due to illness, maternity, or other reasons that prevented them from completing this training within the allotted time will be able to make up for it in 2023 when they resume their term of office.

Quantitative data^[1]

Code	Indicator description	Data at the end of 2022	Data at the end of 2021
GOUV63	Total number of members	6,039,460	5,818,868
GOUV62	Number of adult individual customers and legal person customers	7,542,840	7,439,674
GOUV65	Percentage of members among adult individual customers and legal person customers	80.07%	78.21%

Boards – Democratic control

COMPOSITION

	Data at the end of 2022	
	Women	Men
Number of elected members in local banks – Women/Men distinction	6,198	9,329
	Board of Directors	Supervisory Board
Number of elected members in local banks in 2022 – Board of Directors/Supervisory Board distinction	11,309	4,218

[1] 2021 data restated by integrating the CMNE federation.

The Shareholders' Meeting (SM)

The Shareholders' Meetings of the local banks are the foundation of mutualist governance, and illustrate the strength of this model thanks to these key moments for exchange, information and expression of mutualist democracy.

Since the health crisis of 2020, the Shareholders' Meetings of the banks have mainly been held in the form of video broadcasting on the website www.creditmutuel.fr.

As a result, traditional figures (members present and represented at Shareholders' Meetings, attendance rate, average cost, etc.) were not monitored in 2021.

In general, the organization of the AGM took place in two stages:

- 1- members were invited to vote on the resolutions of the Shareholders' Meeting in their online banking area and on tablets at the local banks;
- 2- the Shareholders' Meeting was subsequently broadcast by video on the website www.creditmutuel.fr.

A total of 1,511 digital Shareholders' Meetings were held, with 1,299 videos of Shareholders' Meetings posted online and distributed. The information relating to the Shareholders' Meetings was provided through the sending of 5,110,644 invitations, either by post (2,346,002 invitations) or by e-mail from the online banking space (2,764,642 invitations). All of the functionalities put in place enabled 263,485 votes to be cast.

Crédit Mutuel Alliance Fédérale's technology teams have developed functionalities enabling members to be informed in advance of the conditions for conducting their Shareholders' Meeting, to have access to all the documents presented and to vote securely on the proposed resolutions thanks to the provision of these elements on the online banking personal space. Members were notified on their online banking space providing them with all the useful information relating to the Shareholders' Meetings in order to guide them in voting on the resolutions presented.

Education and training^[1]

MEMBERSHIP DEVELOPMENT

When initiating relationships with new customers, is the mutualist difference presented?	Yes for 992 local banks (74.6%)
Are documents provided?	Yes for 618 local banks (46.6%)
Have you organized a meeting for new members?	Yes for 109 local banks (8.2%)
Have you informed them that they will be invited to the SM?	Yes for 353 local banks (26.6%)

TRAINING OF ELECTED MEMBERS

Training course reports provided at board meetings	Yes for 1,192 local banks (89.76%)
Training courses met expectations	Yes for 1,257 local banks (94.65%)
Are suggestions for new training topics sent to the Chairman of the Elected Members Committee?	Yes for 374 local banks (28.16%)

Intercooperation

ASSOCIATIONS

Association-customers of Crédit Mutuel local banks	Initiatives directed at associations: number of local banks that allocate a budget
260,862	1,184 local banks (89.16% of respondents)

OTHER GOVERNANCE INDICATORS

Indicator code	Indicator	2022	2021
GOUV14	Number of newly elected members in local banks	821	663
GOUV15	Number of newly elected women members in local banks	424	334
GOUV56	Number of director training hours – local banks	40,012	29,875

[1] Data excluding CMNE.



3.6 SOCIETAL AMBITION

3.6.1 ESG purchasing policy

Purchasing goods and/or services is an act of management and is part of the operational implementation of the strategy. Crédit Mutuel Alliance Fédérale's purchase policy, deployed with all entities, incorporates economic criteria of quality, respect of technical requirements and ESG factors.

3.6.2 Responsible relationships

Crédit Mutuel Alliance Fédérale has reinforced this initiative by requesting that all its suppliers sign a sustainable and responsible purchasing charter incorporating the internal commitments of the purchasing policy to ensure long-term commercial relations with partners committed to a process of compliance with the challenges of sustainable development.

By signing the charter, the supplier undertakes, in the context of activities carried out with Crédit Mutuel Alliance Fédérale entities, to respect the human rights and fundamental freedoms, health and safety of people and the environment, as well as the rights of employees. The supplier undertakes to respect the laws applicable to the protection of

Crédit Mutuel Alliance Fédérale favors relations with suppliers and/or service providers whose contracts include the specific clauses from the reference texts on human rights and principles of combating all forms of corruption. It fosters long-term, local relations.

personal data and to implement all measures necessary to ensure the security and confidentiality of the information provided by the entities of Crédit Mutuel Alliance Fédérale. The supplier undertakes to implement internal procedures to ensure its activity is in compliance with the laws and regulations relating to the fight against corruption. In addition, suppliers can report any infringements to Crédit Mutuel Alliance Fédérale by using the dedicated email address.

In 2022, 4,033 charters were signed by CCS suppliers (suppliers whose revenue is greater than €5,000) and over 220 by Euro-Information suppliers (SOT100) (suppliers whose revenue is greater than €1 million).

3.6.3 Regional development

The group, which is a leading employer with a strong regional presence due to the stability of its network, bases its strategy on the demand for long-term investment to develop the economic and social ecosystem of each region. It pursues, either directly or in partnership, the distribution of personal and professional micro-loans to foster the development of activities in the regions.

Promote the distribution of personal and professional micro-loans

Crédit Mutuel Alliance Fédérale enables customers in financially fragile situations to benefit from financial support by developing partnerships with associations such as ADIE, Initiative France and France Active to promote the granting of micro-loans. The purpose of granting micro-loans is to create and consolidate jobs for those who are excluded from the job market (job seekers, recipients of the minimum welfare benefits, people with disabilities, etc.).

Thus, the partnership with the eight Initiative France platforms located in the Crédit Mutuel Dauphiné-Vivaraï (CMVD) territory was renewed in 2022 with an allocation of €60,000. This partnership, initiated in 2006, is a concrete expression of CMDV's commitment to the regions and is designed to promote and support the creation and takeover of activities with a view to job creation and inclusion.

Promote job security and the return to employment

Promoting job security and the return to employment are key priorities for Crédit Mutuel Alliance Fédérale in its quest to support people in vulnerable situations. Regional conventions have been signed throughout the country with social integration association networks such as CCAS, Secours Catholique, UDAF, Secours Populaire, Restaurants du Cœur and county councils to support our customers and receive advice adapted to each situation.

This commitment to foster access to employment in the regions has translated into new partnerships at the national and/or local levels so as to supplement the mechanisms already in place within Crédit Mutuel Alliance Fédérale entities.

At Crédit Mutuel de Loire-Atlantique et Centre Ouest, support for employment and actions to promote inclusion are carried out, in particular, through the Crédit Mutuel Solidaire structure, which has three main missions: the distribution of professional micro-loans to project holders who create or safeguard jobs, support for business start-up networks (Initiative, Entreprendre, ADIE, etc.) and personalized support for members facing difficulties in life.

In 2022, professional micro-loans were set up for an amount of €628,100, creating or saving 112 jobs.

335 cases of members/customers in difficulty were also managed, and a network training program to deal with fragile situations was also set up, with 50 employees trained in 2022.

3.6.4 Promoting local initiatives

By drawing on its cooperative and mutualist model, the group notably supports customer-member associations by forging partnerships (financial or material) involving elected members and employees. It also participates in patronage and sponsorship operations that promote projects in the fields of education, sports, music, culture and professional reintegration. In addition to the initiatives supported at local level by the local banks and branches or at regional level by each of the group's entities and subsidiaries, the Fondation Crédit Mutuel Alliance Fédérale strengthens Crédit Mutuel Alliance Fédérale's commitment to solidarity by supporting projects in the general interest.

Launched on March 31, 2021, it received in 2022 the Grand Prix de la Philanthropie, created by the Ficare group, in the Solidarity category for its support to the Fratries project. This project creates, in the heart of the city, inclusive colivings between active young people with and without mental disabilities and autism spectrum disorders (ASD). Alongside the financial support of the foundation, many Crédit Mutuel Alliance Fédérale entities have mobilized to implement complementary initiatives in order to give the project every opportunity to spread.

The overall budget earmarked for patronage and sponsoring was €55.3 million for the 2022 fiscal year (SOT52) and €40.2 million for the 14 Federations of Crédit Mutuel Alliance Fédérale.

The group aims to support associations in their development and their public interest mission. Local sports and cultural associations with a budget of less than €500,000 benefit from the Pay Asso solution free of charge. This service allows members to pay their membership fees and make donations by credit card to associations, even those that do not have a website.

Crédit Mutuel Alliance Fédérale also offers the Lyf Pro mobile app, a secure and dematerialized mobile payment and donation collection solution, which also allows associations to forge and develop relationships with their donors, using mobile phones as a new communication channel, to simplify the organization and management of their events thanks to a solution ranging from ticket sales to collection and payment.

Focus on some of the partnerships of Crédit Mutuel Alliance Fédérale's entities

Fédération de Crédit Mutuel Méditerranée (CMM)

In partnership with the "Agence nationale de lutte contre l'illettrisme" (ANLCI), Fédération de Crédit Mutuel Méditerranée is supporting six associations that are particularly involved in the fight against illiteracy in their territories so that they can obtain the double label of "agir ensemble contre l'illettrisme" (working together against illiteracy) and "lecture grande cause nationale" (literacy a national cause). In addition, ten employees from head office and the Marseilles local branches are mentoring young teenagers as part of the Télémaque program, which promotes equal opportunities in education.

Solidarity commissions have also been set up by the Boards of Directors of the local banks to support member-customers in difficulty.

Fédération du Crédit Mutuel Centre Est Europe (CMCEE)

A patronage agreement between the districts of the Fédération du Crédit Mutuel located in the Grand Est region, the Entreprendre pour apprendre association and the Académie de Strasbourg allows students from the fourth grade to BTS level, through the creation of mini-companies, to discover the economic and professional world, to develop their sense of commitment and initiative and to elaborate their school and professional orientation project. The students, accompanied by their teachers and a company advisor, carry out an economic activity to learn about the daily life of a company. In 2022, 52 teams for 52 mini-companies revealed their business creation projects to a jury composed of personnel from the education and business worlds. The Crédit Mutuel local banks provide an account for each mini-company.

Fédération du Crédit Mutuel Nord Europe (CMNE)

In 2022, employees were involved in several skills sponsorship operations: Squad emploi in Lille and Arras (12 employees coached young graduates looking for work), the Etincelle network (educational program for young people who have dropped out of school), the Integrated Study Program (PEI) at Sciences Po Lille (three participants in talks on success with young high school students).

Fédération du Crédit Mutuel Anjou (CMA)

The Crédit Mutuel Anjou association Créavenir Anjou has been supporting social and solidarity-based economy associations in Maine-et-Loire for ten years. During this period, it supported 40 associations, 51 projects and €660,200 were redistributed throughout the country. The association launched its first call for applications in September 2022 to support new projects. 13 project leaders were supported to help them make their projects a reality, and thus work for a fairer and more sustainable society with a total budget of €72,400.

Fédération du Crédit Mutuel Centre (CMC)

The CMC Federation is a partner of the regional action plan for women's entrepreneurship, which aims to promote:

- access to and development of a support offer for the creation/takeover and growth of businesses run by women;
- increased financing for women entrepreneurs who take over businesses;
- the fight against gender stereotypes that can affect the players in the entrepreneurial ecosystem;



- the mobilization of all stakeholders in business creation and the promotion of actions in favor of women's entrepreneurship;
- the involvement of Crédit Mutuel du Centre has resulted in 2022 in financial and operational support.

Cofidis

To mark the 40th anniversary of Cofidis in 2022, Cofidis France launched an unprecedented solidarity initiative to support 40 associations in its region: Booster missions! The company offered each of its 1,500 employees three days of volunteering to get involved with associations in its region, i.e. 4,500 days offered to non-profit organizations.

Assurances du Crédit Mutuel (ACM)

ACM is continuing its partnerships with innovative players in France to provide Crédit Mutuel Alliance Fédérale policyholders with the latest medical technologies. The partnership with NeuroCoach allows the screening of risk factors for stroke. The Visible Patient technology provides policyholders and their medical specialists with a 3D organ modeling tool that allows for more precise preparation of surgical procedures. To ensure that health care is accessible throughout the country, policyholders also have access to a medical teleconsultation service with MédecinDirect and psychological support with PSYA-Stimulus.

3.6.5 Actions to develop entrepreneurship over all the territories and to support innovation

Crédit Mutuel and CIC networks undertake to promote the development of innovative companies and start-ups to serve the real economy and the territories. For instance, Fédération du Crédit Mutuel Sud-Est remains a founding partner and the exclusive partner in the banking and insurance sector for H7, Lyon's center for start-ups and innovation. H7's mission is to accompany and accelerate start-ups by providing a federating space open to all entrepreneurs.

To consolidate this system a specific dedicated branch for start-ups and innovative businesses has been set up with account managers trained to support innovation and growth inside the Crédit Mutuel and CIC banking networks including offers and specific measures.

At the national level, 30 corporate customer relationship managers for innovative companies and 60 specially trained innovation advisors work daily to facilitate the development of customers and members with projects by generating synergies with players in the innovation ecosystem. In 2022, the innovation sector supported 3,500 innovative start-ups, representing an increase of 40% compared to 2021.

In addition, two communication systems specific to CIC and Crédit Mutuel were deployed, *via* calls for tenders, to reward the best initiatives: Start Innovation CIC and *Semeur d'innovation* for Crédit Mutuel.

Also in this approach to accessibility, in 2022, ACM took a financial stake in the health tech TokTokDoc. Thanks to a team of nurses and their mobile polyclinic kit, TokTokDoc brings medicine to dependent or handicapped people living in EHPAD. ACM is also committed to resource centers that support people with cancer and their families. All of these partnerships aim to support policyholders in risk prevention and to provide innovative solutions to improve the chances of recovery.

Lastly, in addition to health, ACM is also developing other prevention actions. It has formed a partnership with the SDEA (*Syndicat des eaux et de l'assainissement d'Alsace-Moselle*) to prevent the risk of flooding in homes.

Beobank

Beobank is a long-standing partner of United Fund For Belgium (UFB), a Belgian non-profit organization that has been supporting social inclusion by combating exclusion and poverty for more than 50 years. It helps people with disabilities and contributes to the well-being of each child. In particular, UFB supports charities involved in the well-being of children, poverty reduction, support for people with disabilities and social integration. Beobank participates in the fundraising by supporting UFB financially and also by giving employees the opportunity to spend a day volunteering in Belgium for a Belgian charity supported by UFB during working hours. In addition, every year, several employees take up a sporting and solidarity challenge by running the 20km of Brussels while supporting one or two organizations selected by UFB.

Semeur d'innovation [Sower of innovation]

In 2022, all Crédit Mutuel Alliance Fédérale federations took part in the second edition of the 4S *Semeur d'innovation* competition. Participants were invited to present a project in one of the following four areas: environment, culture, solidarity and territory. A total of 1,159 applications were received from entrepreneurs, community leaders and individuals; 170 projects were shortlisted and supported by coaching sessions and 68 winners were rewarded. Each winner received €4,000, i.e. for a total of €272,000 for this project.

Start Innovation Business Awards

CIC also deployed the 3rd national edition of the "Start Innovation Business Awards" which is a genuine business accelerator for these companies. This call for projects represents overall grants in the amount of €200,000, with 18 regional winners and 3 national winners for 2022.

In addition, a partnership was signed with BGE in 2022 to more effectively support entrepreneurship in France. Note: BGE is a network of private structures that has been supporting the creation and takeover of companies for 40 years.

In addition, Crédit Mutuel Alliance Fédérale is a partner of ABF Décisions to encourage companies to relocate to France.

3.6.6 BFCM's inaugural Social Bond issue

Faced with economic, social and climate challenges, Crédit Mutuel Alliance Fédérale has positioned itself as a player determined to support the urgent transformation of the economic system. This is why, after issuing green bonds in 2020 and 2021, *via* BFCM, Crédit Mutuel Alliance Fédérale issued its first social bond of €750 million in 2022^[1]. The assets financed for this issue are loans to Small and Medium Enterprises (SME), professionals and farmers located in counties with

unemployment rates higher than the national average and student loans and degree programs. This issue was a great success with bond investors.

The system for identifying and monitoring eligible assets is described in Section 3.8.3.

QUANTITATIVE DATA

The data for 2021 have been restated to include CMNE and its subsidiaries.

Indicator	Indicator code	Unit	2022	2021 restated	2021
SRI outstandings with SRI, FNG, Luxflag label	SOT28	€ billions	30.9	26.7	16.7
Total assets under management by the management company	SOT28BASE	€ billions	127.6	145.6	75.3
Assets under management in socially responsible employee savings plans	SOT37	€ millions	1,297	1,431	1,428
Amount from solidarity products paid to associations	SOT35	€	513,402	ND	469,827
NPO customers (associations, labor organizations, works councils, etc.)	SOT40	No.	455,135	461,387	428,927
Total budget dedicated to patronage and sponsorship	SOT52	€	55,327,530	43,516,559	42,342,559
Applications processed – ADIE	SOT16	No.	4,249	3,855	3,855
Amount of lines of credit made available – ADIE	SOT17	€ millions	13.8	12.1	12.1
New micro-loans financed – France Active	SOT19A	No.	1,391	1,489	1,348
Amount guaranteed – France Active	SOT20A	€ millions	34.9	36.09	33.39
Additional loans issued – Initiative France	SOT22	No.	3,730	ND	ND
Amount of additional bank loans granted – Initiative France	SOT23	€ millions	319.6	ND	ND

Indicator description	Publication code	Unit	2022	2021 restated	2021 published
Crédit Mutuel Alliance Fédérale sales outlets	SOT01	No.	4,488	ND	4,205
Loans on preferential terms (< €3,000) granted	SOT27	No.	1,288,761	ND	1,138,013
Amount of loans on preferential terms (< €3,000) granted	SOT26	€	1,205,692,345	ND	991,805,056
Assets under management excl. capitalization of <i>livrets d'épargne pour les autres</i> (savings account that benefits humanitarian organizations)	SOT33	€	236,222,177	208,128,757	205,238,847
Amount of micro-loans granted	SOT13	€	746,741	663,624	663,624
Eco-loans: loans granted during the year	SOT63	No.	20,487	14,911	14,324
Total amount of interest-free loans granted during the year	SOT65	€	278,467,276	188,651,423	182,138,956
Amount of loans for renewable energy granted to business customers and farmers	SOT68	€ millions	269.4	193.1	149.1
Outstanding customer loans	SOT83	€ billions	502.1	ND	444.8
Outstanding home loans	SOT84	€ billions	254.4	ND	227.1
Outstanding consumer credit	SOT85	€ billions	51.0	ND	44.2

[1] <https://www.bfcm.creditmutuel.fr/fr/programmes/obligations-vertes-et-sociales.html>



3.7 SOCIAL AMBITION

The information and figures concern Crédit Mutuel Alliance Fédérale entities in France.

3.7.1 Diversity and equal opportunities

Crédit Mutuel Alliance Fédérale has a proactive and ambitious diversity and inclusion policy to combat discrimination and promote equal opportunities and treatment.

This approach is at the heart of Crédit Mutuel Alliance Fédérale's mutualist values and its *raison d'être*, "*Ensemble, écouter et agir*" (listening and acting together), and is embodied in the mission statement "As a bank for all, members and customers, employees and elected members, we act on behalf of everyone and refuse to discriminate".

Equal opportunities and youth employment

Crédit Mutuel Alliance Fédérale is positioned as a committed and active player in favor of young people by developing initiatives throughout the region to promote work-study programs and access for these young people to the world of business.

In four years, Crédit Mutuel Alliance Fédérale has gone from recruiting 900 work-study students in 2018 to more than 1,500 in 2022, a 60% increase.

As a founding member of the Business Collective for a More Inclusive Economy, Crédit Mutuel Alliance Fédérale, alongside 38 major companies, has been carrying out actions to promote the inclusion of young people in the ten territories of Seine-Saint-Denis, Strasbourg, Lyon, Marseille, Bordeaux, Rouen, Lille, Toulouse, Nantes and Grenoble since 2018. In each of them, Crédit Mutuel Alliance Fédérale representatives are present to actively participate in a number of initiatives, such as the Forum for the Future organized in Strasbourg in June 2022. This day enabled more than a hundred young people, between the ages of 16 and 30, from urban priority neighborhoods (QPV) or rural areas, to benefit from advice in their steps to access the professional world.

Committed to neighborhoods and regions, Crédit Mutuel Alliance Fédérale continues to support local players with associations such as *Nos quartiers ont des talents*, *Télémaque*, and *Sport dans la ville*. Actions have been put in place in the group's companies to:

- raise awareness among young people about the corporate world through internships (1,500 paid internships for the 2021/22 school year), discoveries of professions and interventions by professionals in schools;
- facilitate access to work-study programs to enable young people from priority neighborhoods and rural areas to enter the workforce. In 2022, 46% of work-study hires came from disadvantaged and rural areas.

Equal opportunities and non-discrimination

Committed to equal opportunities, Crédit Mutuel Alliance Fédérale continues to provide training in non-discrimination to recruiters and, more broadly, has undertaken to train 100% of its employees in non-discrimination by 2022. A training module, Preventing discrimination and promoting diversity, was deployed in the last quarter of 2022, including a self-diagnosis and e-learning. 94% of registered employees completed their training in 2022.

In August 2022, Crédit Mutuel Alliance Fédérale strengthened its whistleblowing system to enable all employees to exercise their right to alert in order to protect their interests and/or those of the company. This system is in line with the legal and regulatory provisions as well as Crédit Mutuel Alliance Fédérale code of conduct. A dedicated messaging service with a small team has been set up at group HR level to process the reports received.

Equality of treatment

With respect to equality, measures have been taken to favor gender equality. Equal pay is one of the levers of gender parity, associated with a career development plan for women. For several years now, Crédit Mutuel Alliance Fédérale has attached great importance to the need for parity in appointments to senior management and executive positions. Where training is concerned, no session of the School for directors starts without parity.

The feminization of managerial positions is a major objective of Crédit Mutuel Alliance Fédérale which translates into one of the human and mutualist indicators of the revised strategic plan *ensemble#nouveau monde plus vite, plus loin!* (together#today's world faster, further!) The ambition is to achieve equality between men and women by 2023 in management positions (notably executives such as bank manager positions in the banks of the Crédit Mutuel network and/or the branches in CIC network) and governance positions (members of the Management Committees in group entities included the common social base).

In addition, and for the third consecutive year, nearly three-quarters of the group's companies posted a score above 85 points for the gender equality index. For example, Cofidis and Crédit Mutuel Nord-Europe achieved scores of 97 and 94 points out of 100, respectively.

Disability

Crédit Mutuel Alliance Fédérale is fully committed to helping people with disabilities.

This commitment was strengthened as part of the Disability and caregivers group agreement, signed in December 2021. All of the group's companies have a policy of promoting and supporting the social and professional integration of people with disabilities and their caregivers.

All stakeholders have a shared desire to be part of a positive and ambitious dynamic in favor of disability. The main areas of the policy implemented are:

- development and retention in employment within the group, thanks in particular to support in the process of obtaining or renewing the recognition of the status of disabled worker, support in career development and in the professional career, or in the training of the employees concerned;
- the recruitment of employees with disabilities, their integration and securing their employment;
- guaranteeing equal opportunities throughout the career with enhanced support and equal pay in comparable situations;
- training, awareness-raising and communication actions on disability;

- consideration of the issue of disability in the personal and professional life of caregivers;
- the development of relations with the protected and adapted work sector.

A group disability mission was set up at the beginning of the year to support the deployment of the group agreement and all players in the disability policy.

In each of the group's companies, a local disability referent assists people with disabilities or their caregivers throughout their career with the company, in conjunction with human resources managers, managers and occupational health services. In addition, each social and economic committee (SEC) has appointed a disability referent from among its members.

Crédit Mutuel Alliance Fédérale entities also participated in the two online forums organized by Hello Handicap in 2022.

Finally, on the occasion of the European Disability Employment Week 2022, several events were held in the various entities to raise employee awareness of invisible disabilities through online workshops and on-site activities. More than 20 group entities took part in the Duoday operation, which provides an opportunity for employees to meet disabled people who are less likely to be employed. These meetings are opportunities to learn more about a profession, to raise awareness on disability and to identify skills.

3.7.2 Support career development and mobility

Agreement on the Gestion des emplois et des parcours professionnels (GEPP – Management of Jobs and Career Paths) of June 30, 2020

The purpose of the GEPP is to anticipate foreseeable changes in jobs and professions, skills and qualifications, linked to economic, demographic and technological changes, with regard to Crédit Mutuel Alliance Fédérale's strategy. In order to strengthen its dynamism and attractiveness, it is essential that Crédit Mutuel Alliance Fédérale entities constantly adapt to changes in the markets and the expectations of member customers. Thus, a constructive GEPP approach represents a real opportunity to support all employees in their professional development while supporting the transformation of the business lines of the bank and its subsidiaries.

Crédit Mutuel Alliance Fédérale's latest agreement signed unanimously in June 2020 by the trade unions is in line with this objective. This agreement is based mainly on the following themes:

- forward-looking management of jobs and skills;
- professional training and career path advisory services;
- internal mobility conditions within the company;
- consideration of diversity in employment management;
- the career development of employees holding appointments or elected offices;
- skills-based sponsorship for employees at the end of their career.

All of these measures aim to ensure professional development for all employees. This strategy for developing employee skills enabled the largest subsidiaries to be recognized as *Meilleurs employeurs* (Top Employers) 2022.



Crédit Mutuel Alliance Fédérale invests heavily in the training of its employees in order to develop their skills and enable them to move into other professions. Even with the first quarter of 2022 disrupted by yet another wave of Covid-19, 6% of payroll expense^[1] was devoted to training of Crédit Mutuel Alliance Fédérale employees. This investment represents over 260,000 participant days. After the last few years, which have been disrupted by the health crisis, with the majority of training courses organized remotely, the training offer is gradually evolving in order to find a new balance with 70% face-to-face training and therefore 30% remote training.

[1] Human resources scope including Crédit Mutuel Alliance Fédérale federations, CIC banks and social base subsidiaries.

Crédit Mutuel Alliance Fédérale has a structure that is entirely dedicated to employee training. Career paths are developed by systematically employing a progressive instructive approach to support employees as closely as possible. These customer relationship-focused courses include all the technical and commercial skills required to work in the Banking and Insurance. They alternate situational exercises with periods of experimentation and consolidation. Their contents and duration are subject to change. Each year, more than 5,000 Crédit Mutuel Alliance Fédérale employees receive career-path training, adapted to their future profession, which serves as a guarantee of their professional development within the company. In addition, all employees have access to a remote training platform, which offers a wider range of modules. A catalog is available on the Intranet.

In addition, many Crédit Mutuel and CIC local bank managers have followed the school of managers' training course (*École des directrices et directeurs*), which is carried out over a period of four to five months, it being specified that candidates for the position of manager are excused from any activity outside of the apprenticeship itself. Through this program, nearly 1,400 employees have been trained as managers of local banks or branches.

3.7.3 Promote Quality of Life at Work (QLW)

Crédit Mutuel Alliance Fédérale is committed to a QLW approach fostered by its mutualist values. Reconcile the improvement both in employees' working conditions and the overall performance in a rapidly changing environment remains a priority. This commitment focuses on work-related factors: work content, professional development opportunities and quality of management, customer-member satisfaction and the smooth running of the company. In order to establish such conditions over the long term, Crédit Mutuel Alliance Fédérale has included these issues in its strategic plan *ensemble#nouveau monde, plus vite, plus loin!* (together#today's world, faster, further!) and in the company's technical, social and organizational projects.

From the month of May 2020 Crédit Mutuel Alliance Fédérale sought to engage in new negotiations on QLW, including the introduction of remote working. Indeed, the management of Crédit Mutuel Alliance Fédérale considers that the use of remote working is a factor in the QLW for employees because it helps reduce the nuisance of using transportation to get to work, better reconcile work and personal life, and give people more autonomy in their work.

Management proposed to the trade unions to negotiate a framework agreement constituting a common series of measures applicable to all the entities that fall under the group agreement, which must then implement it within their organization through a logic of proximity and responsibility. The framework agreement on quality of life at work and remote working was signed by the majority of trade unions on October 28, 2020. This framework agreement provides for a series of basic measures that may be supplemented by specific commitments for each group entity. The common measures of the QLW framework agreement are as follows:

- optimize the day-to-day organization of work: regular analysis of tasks, establishment of a constructive dialog with managers on the subject of QLW and, more specifically, the inclusion of workload as a specific topic of appraisal interviews;

The objective of the revised strategic plan *ensemble#nouveau monde, plus vite, plus loin!* (together#today's world, faster, further!) of the group is to support 100% of employees in the digital transformation by 2023. Crédit Mutuel Alliance Fédérale created the digital passport in 2019 to enable each employee to gauge his or her level of knowledge of office automation and digital tools. The assessment concerned knowledge of the digital environment, data and information processing, safety in a digital environment, communication and collaboration tools (social networks, online conferencing, online discussions etc.). Employees are therefore able to acquire new skills based on a diagnostic performed using a questionnaire and an in-situ case, and progress at their own pace. This passport also includes a certificate to validate the level attained. This certificate is therefore evidence of the employees' skills and enables *Cap Compétences* to define actions for improving the employees' mastery in this area.

Furthermore, a relational visa enables the networks' employees to position their level of knowledge of tools such as the electronic signature, email analyzer, chatbots, online banking and video appointments. At the end of December, 88% of registered people benefited from digital transformation support, thanks to the digital passport and relationship visa systems within the scope of Crédit Mutuel Alliance Fédérale consolidated entities.

- promote health at work: setting up a health platform to simplify and expand existing services, improve the layout of premises and workstations, fight against psycho-social risks and the prevention of depression and encourage sport activities at the workplace;
- improve employee mobility between home and work: adoption of a Sustainable Mobility package of €400, which has been increased to €700 for the years 2022 and 2023, launch of an internal carpooling platform and proposal to sign up for refresher days to make cycling safer. These measures are part of Crédit Mutuel Alliance Fédérale's eco-responsible approach;
- encouraging the development of a responsible management model, encouraging employees to participate, in particular through the corporate social network and commitment surveys, and encouraging employee involvement in solidarity activities (blood donation) or civic activities (12 days granted to employee volunteer firefighters);
- facilitating the balance between professional and personal life: development of services for employees.

In addition to common measures, concrete actions are also implemented within the various group entities to improve the quality of life at work for employees. For example, CIC Ouest has set up the possibility for its employees to reserve places in daycare and in 2022 Crédit Mutuel Antilles Guyane launched a sports commission to combat the sedentary lifestyle of its employees.

Remote work

In addition to the measures described above, the framework agreement provides for the introduction of regular and voluntary remote work according to two possible schemes – a maximum of 22 days of remote work per year and/or a minimum of one day of remote work per week.

Indeed, considering remote working as a factor of improvement of employees' QWL, this form of work organization has been set up by the said agreement, it is then up to the companies to ensure its local implementation.

All companies that fall under the group agreement, parties to the framework agreement of October 28, 2020, have therefore implemented remote working after negotiations and this, from 2021.

In May 2022, the second edition of the *#vousavezlaparole!* (*#voicemyopinion!*) barometer was held to obtain the opinions of employees, in particular on their working conditions.

On this occasion, it emerged that the implementation of remote working was appreciated by the employees but was considered to be too formal in its access. Employees expressed the desire for greater flexibility and fluidity in the implementation of remote working.

In this context, Crédit Mutuel Alliance Fédérale wished to change the remote working system and therefore proposed to the representative trade unions to enter into discussions in order to revise the current agreement with the main aim of easing access to remote working for employees. An amendment to the framework agreement was signed on November 24, 2022, which provides for the following changes:

- reducing the length of service within the group to be eligible for regular remote working;
- the removal of the length of service condition in the position in the event of employee mobility;
- a new, broader definition of the remote worker's home.

These changes illustrate the group's commitment to the quality of life at work and the work-life balance of its employees.

3.7.4 Promoting strong social dialog

The organization of social dialog, collective bargaining and the procedures for reporting, negotiating and consulting with staff respond to the desire to work in close collaboration with all the company's stakeholders and to ask the group's priority questions about the strategic topics.

This commitment is reiterated in the strategic plan, which clearly includes high-quality, local social dialog as a key driver to achieve our goals. A certain number of subjects give rise to framework agreements at group level but most of the dialog takes place locally, in a responsible manner and as close as possible to the field. Employee representatives are closely involved in decisions.

Within Crédit Mutuel Alliance Fédérale entities, local social dialog is built mainly with the following bodies and contacts:

- the Social and Economic Committee (SEC) and any commissions, including the CSSCT, dedicated to health, safety and working conditions. The main responsibilities of the SEC are:
 - to ensure that employees voices are heard, that their interests are taken into account at all times in decisions relating to the management and economic and financial development of the company, the organization of work, professional training and production techniques,
 - to promote health, safety and the improvement of working conditions in the company,
 - to present to the employer individual and collective complaints relating to wages, the application of the French Labor Code and other legal provisions concerning social protection in particular, as well as conventions and agreements applicable in the company;

In this respect, the SEC is informed and consulted on the following topics:

- the company's strategy,
- the company's economic and financial position,

- the company's social policy, working conditions and employment,
- from time to time, on topics falling within its remit, such as reorganization projects;
- local representatives set up in various geographies or multi-site entities to maintain proximity to the field. They support the SEC. In particular, they can convey the local concerns of employees and contribute to the resolution of local issues; and
- the union representatives, who are the employer's preferred contacts for negotiating company agreements.

In addition to all these bodies, union representatives are also appointed within the scope of the entities covered by the group agreement. These are the group union representatives (DSGs), who are responsible for negotiating the agreements applicable within the companies covered by the group agreement. Their role is specified in the group agreement on trade union rights of December 5, 2018, amended by addendum on June 23, 2022.

In 2022, numerous agreements were signed with the DSGs, proof of a strong social dialog within Crédit Mutuel Alliance Fédérale. These agreements include *inter alia* the following:

- group agreement on equal pay for women and men;
- amendment No. 10 to the group agreement on the provident and health insurance scheme;
- amendment No. 1 to the agreement on trade union rights in companies covered by the group agreement;
- amendment No. 2 to the framework agreement on QLW and remote working;
- wage agreement;
- group agreement on a value-sharing premium paid in 2022.

3.7.5 Employment

Total workforce

Crédit Mutuel Alliance Fédérale had 77,457^[1] employees at the end of 2022, including nearly 61,200 working in France.

Hires

New hires on open-ended contracts mainly take place in the Crédit Mutuel and CIC networks as well as in the Euro-Information subsidiary. Two dedicated career websites highlighting job offers, professions, employee testimonials and the commitments of Crédit Mutuel Alliance Fédérale's human resources. In addition, employer brand communication campaigns support the recruitment process throughout the year.

A career space dedicated to employees also makes it possible to boost and simplify mobility within the group. In order to better support employees in the case of intra- and inter-company mobility, Crédit Mutuel Alliance Fédérale's human resources department has signed two framework agreements with MUTER-LOGGER and CSE Executive Relocations. There is no obligation for both the employer and the employee to call on any of these companies, which, as professionals, have experience, recognized competence and know-how in job mobility assistance services.

Quantitative data^[2]

WORKFORCE

Indicator code	Indicator label (no.)	2022	2021 restated	2021 published
SOC01_BIS	Workforce on the payroll	74,723	74,071	69,981
SOC01_F201	Workforce: Female managers on open-ended contracts – France	11,635	11,230	10,771
SOC01_F202	Workforce: Women non-managers on open-ended contracts – France	20,898	20,974	20,010
SOC01_F203	Workforce: Women managers on fixed-term contracts – France	48	48	38
SOC01_F204	Workforce: Women non-managers on fixed-term contracts – France	1,745	1,612	1,539
SOC01_H211	Workforce: Men managers on open-ended contracts – France	14,966	14,920	14,028
SOC01_H212	Workforce: Men non-managers on open-ended contracts – France	10,318	10,229	9,682
SOC01_H213	Workforce: Men managers on fixed-term contracts – France	72	49	48
SOC01_H214	Workforce: Men non-managers on fixed-term contracts – France	1,481	1,389	1,328
SOC01_F205	Workforce: Women abroad	7,507	7,571	7,039
SOC01_FM205	<i>of which: Women in managerial functions</i>	1,211	970	896
SOC01_FNM205	<i>of which: Women without managerial functions</i>	6,296	6,601	6,143
SOC01_H215	Workforce: Men abroad	6,053	6,049	5,498
SOC01_HM215	<i>of which: Men in managerial functions</i>	1,714	1,439	1,309
SOC01_HNM215	<i>of which: Men without managerial functions</i>	4,339	4,610	4,189

[1] Entities managed by the human resources department including the consolidated and non-consolidated entities of Crédit Mutuel Alliance Fédérale.

[2] **2021 restated:** consolidation of CMNE (including subsidiaries); **2021 published:** publication NFPS 2021.

BREAKDOWN OF EMPLOYEES BY GENDER AND AGE

Indicator code	Indicator description	2022
SOC88	Workforce < 25 years old	5,029
	Men < 25 years old	2,309
SOC89	Women < 25 years old	2,720
SOC90	Workforce 25-29 years old	7,348
	Men 25-29 years old	3,186
SOC91	Women 25-29 years old	4,162
SOC92	Workforce 30-34 years old	9,216
	Men 30-34 years old	3,896
SOC93	Women 30-34 years old	5,320
SOC94	Workforce 35-39 years old	10,307
	Men 35-39 years old	4,159
SOC95	Women 35-39 years old	6,148
SOC96	Workforce 40-44 years old	11,335
	Men 40-44 years old	4,499
SOC97	Women 40-44 years old	6,836
SOC98	Workforce 45-49 years old	9,889
	Men 45-49 years old	4,369
SOC99	Women 45-49 years old	5,520
SOC100	Workforce 50-54 years old	8,585
	Men 50-54 years old	4,039
SOC101	Women 50-54 years old	4,546
SOC102	Workforce 55-59 years old	8,157
	Men 55-59 years old	3,772
SOC103	Women 55-59 years old	4,385
SOC104	Workforce 60 years old and older	4,857
	Men 60 years old and older	2,661
SOC105	Women 60 years old and older	2,196

HIRES⁽¹⁾

Code	Indicator description	2022	2021 restated	2021 published
SOC13	Recruitment: Total number of hires	19,026	14,138	13,481
SOC15	Women hired	10,120	7,503	7,135
SOC16	Hires with open-ended contracts	9,164	5,056	4,809

(1) Y compris mobilité groupe et intégration de CMNE.

DISMISSALS

Code	Indicator description	2022	2021 restated	2021 published
SOC19	Number of employees with open-ended contracts that left the organization (all French and foreign entities including group mobility)	6,385	5,766	5,412
SOC20	Of which number of employees with open-ended contracts that quit the organization (layoffs)	885	838	792

COMPENSATION AND CHANGES IN COMPENSATION

Code	Indicator description	2022	2021 restated	2021 published
SOC73	Gross payroll expense excluding employers' contributions	€3,482m	€3,393m	€3,158m
SOC107	Total gross annual compensation of employees with open-ended contracts	€3,370m	€3,284m	€3,053m
SOC108	Total gross annual compensation of employees with open-ended contracts – non-managerial level	€1,373m	€1,357m	€1,289m
SOC109	Total gross annual compensation of employees with open-ended contracts – managerial level	€1,997m	€1,926m	€1,764m
SOC80	Total amount of social security contributions paid	€1,941m	€1,811m	€1,705m

ORGANIZATION OF WORK TIME

Code	Indicator description	2022	2021 restated*	2021 published**
SOC29	Number of full-time employees with open-ended or fixed-term contracts (including full-time parental leave)	66,086	63,946	61,633
SOC30	Number of part-time employees with open-ended or fixed-term contracts and managers with reduced day package	8,637	8,619	8,281

* Excluding BECM, BEOBANK and the La Française France and abroad and CDS partners.

** Excluding BECM.

ABSENTEEISM⁽¹⁾

Code	Indicator description	2022	2021 restated	2021 published
SOC38	Total number of days of absence	932,114	816,972	785,093
SOC39	Number of days of absence due to illness	912,944	796,633	765,461
SOC40	Number of days of absence due to workplace accidents	19,170	20,339	19,632

(1) Excluding Beobank and Groupe La Française foreign entities (data not available).

TRAINING

Code	Indicator description	2022	2021 restated	2021 published
SOC46	Total payroll expense invested in training (payroll expense for training) in € millions	175.8	161.5	149.9
SOC47	Percentage of payroll expense allocated to training	5.0%	4.7%	4.7%
SOC48	Number of employees who received training	72,416	69,882	65,751
SOC49	Percentage of employees trained	96.9%	94.3%	94.0%
SOC50	Total number of hours allocated to employee training	2,517,875	2,411,361	2,302,635

EQUAL TREATMENT⁽¹⁾

Code	Indicator description	2022	2021 restated	2021 published
SOC68	Number of disabled workers in the total workforce	2,291	1,921	1,799
SOC39	Percentage of workers with disabilities in the total workforce	3.1%	2.6%	2.6%
SOC63	Percentage of women among managerial promotions	40.5%	43.5%	43.4%

(1) Excluding Groupe La Française entities abroad.



3.8 ENVIRONMENTAL AMBITION

3.8.1 Reduce the environmental impact of the group

Aware of its role in the service of the economy and development, Crédit Mutuel Alliance Fédérale is committed to conducting all of its activities in a responsible manner. Consideration of environmental issues in carrying out its business is one of the principle areas of focus of its sustainable development policy.

Calculation of the office life scope carbon footprint

Crédit Mutuel Alliance Fédérale has committed to reduce its carbon footprint by 30% by the time of the revised 2019-2023 *ensemble#nouveau monde, plus vite, plus loin!* (together#today's world faster, further!) strategic plan. The objective relates to emission items (France scope 1, 2 & 3: energy consumption, refrigerants, non-current assets related to the motor fleet and business travel) where concrete action levers are possible for the group entities.

In 2018, Crédit Mutuel Alliance Fédérale commissioned a specialized firm to support it and chose to apply the ISO 14064 standard, which provides a framework for accounting and verifying greenhouse gases in the office life scope for all scopes and also decided to publish the carbon footprint of the office life scope for the group's entities located in France in a transparent manner. The updating of the emission factors for each item requires the publication of the results with a one-year delay, which explains why the calculation of the carbon footprint for France is based on 2021 data.

During the 2022 fiscal year, the teams continued work on the reliability of data, in particular on purchases and business and customer travel.

With regard to the footprint related to purchases, the calculation basis consists of Crédit Mutuel Alliance Fédérale's consolidated general operating expenses after neutralization of rebilling within the group by entities and business centers. The methodology was revised for the calculation of the 2021 footprint to better take into account the impact of Crédit Mutuel Alliance Fédérale entities, which are not consolidated for accounting purposes but which provide services to all Crédit Mutuel Alliance Fédérale entities.

In addition, the travel footprint of employees was calculated on the basis of statistical data on the modes of transport used to get to the workplace and the average kilometers traveled by the mode of transport used. For trips made in 2021, the distance between the employees' home and workplace was measured using an application. As the average footprint of an employee per working day on site is used for the calculation of customer travel, the change in methodology also had an impact on the latter. The 2020 footprint was restated in the same way.

The year 2020 was marked by the health crisis and the introduction of remote working, with a significant decrease in carbon emissions related to travel (-54% for business travel). Emissions related to business travel continued to decrease in 2021 (-10% compared to 2020) with a travel policy in favor of the least CO₂-emitting modes of transport.

Emissions from employee commuting and the motor fleet remained stable despite an increase in kilometers traveled (+2% and +3% respectively). Employees have increased their use of public transportation to and from work. In terms of the motor fleet, diesel vehicles are gradually being replaced by electric or hybrid vehicles.

In addition, an internal tool for reporting the carbon footprint for each entity was finalized at the end of the year.

Business travel policy

The Centre de Conseil et de Service (CCS) subsidiary promotes the energy transition of its member' motor fleets.

After abandoning orders for diesel cars during the 2019-2023 strategic plan, the use of cleaner, more fuel-efficient vehicles has accelerated, resulting in ISO 50001 Energy Management certification for the group's motor fleet.

In terms of results related to the reduction in consumption between 2019 and 2021:

- the number of kilometers traveled decreased from 101.6 to 79.4 million, *i.e.* -22% over the period;
- fossil fuel consumption fell from 6,350 to 4,485 m³, *i.e.* -29% over the period.

The number of kilometers traveled by the diesel fleet decreased by 13% between 2021 and 2022.

These decisions have been supported by an internal advertising campaign to encourage a reduction in the number of kilometers traveled notably by producing reports and recommendations to restrict business travel. In addition, eco-driving training, which teaches people how to optimize energy consumption, is part of the group's 2023 training plan.

The travel policy, established in 2020, prioritizes public transport and carpooling and encourages the use of bicycles through the introduction of Corporate Travel Plans in certain group entities. It also encourages employees to reduce the environmental impact of their travel by incorporating restrictions on the use of air travel and promoting rail. For journey that can be completed by train, air travel is no longer available on the travel booking platform.

These guidelines aimed at reducing the environmental impact of business travel by reducing the use of air transport were continued with the adaptation, in November 2022, of the group travel policy and travel reservation tools, such as:

- the use of air travel is subject to hierarchical agreement for journeys that can be completed in less than five hours by train;
- it is recommended that meeting/training locations be accessible by rail for the majority of participants.

The group's strategy was rewarded at the Grands Prix de l'Ecomobilité⁽¹⁾ organized by TGV Intercités, with the Evolution award for the company with the greatest increase in sustainable mobility between 2020 and 2021. In particular, the jury was sensitive to the objective of reducing the carbon footprint by 30% between 2019 and 2023⁽²⁾, with the corollary of increasing the rate of train use in long-distance travel from 63% in 2018 to 76% in 2021.

In addition, Crédit Mutuel Alliance Fédérale introduced the sustainable mobility package for its employees, as part of the implementation of remote work, set by the framework agreement on quality of life at work signed in 2020. This system offers a wider choice of mobility solutions (personal bikes, light motorcycles, electric scooters for hire, carpooling) and promotes alternative modes to private cars, thus reducing the environmental impact of commuting. In 2022, the mobility package was paid to 7,938 people.

In addition, in 2022 Crédit Mutuel Alliance Fédérale launched its own inter-city carpooling platform. At the end of the year, more than 1,100 employees had registered and traveled more than 44,000km.

Upstream and downstream freight transport

The gradual switch from carriers managed by CCS to clean vehicles has begun with the integration in the calls for tenders of network shuttles (transport between branches and head offices) of greening criteria for their fleet. 80% of the Île-de-France network shuttles within Paris have been electrified. With the same objective of reducing the carbon footprint of its members' transportation, CCS has completed the reduction of the frequency of visits to the branches (5 days a week instead of 6 days a week). The CMCEE and CIC Est networks, the last networks concerned, completed this harmonization phase in September 2022.

Carbon contribution policy

Crédit Mutuel Alliance Fédérale is creating a virtuous circle by encouraging its entities to work to reduce their greenhouse gas emissions and developing a mechanism to offset the group's carbon footprint. A contribution is calculated for all entities according to their carbon footprint, based on emission items where improvement actions are possible. These voluntary contributions provide Crédit Mutuel Alliance Fédérale Foundation (created in early 2021) with funds to support in particular the financing of projects with a strong climate impact⁽³⁾. In addition, there is a second level of contribution linked to the carbon footprint of the corporate customers, asset management and insurance portfolios.

In 2022, Fondation Crédit Mutuel Alliance Fédérale joined forces with For My Planet – Act for the Future, which raises awareness among young people aged 12 to 17 of the impact of climate change on their immediate environment and organizes eco-citizen projects with them. Already present in secondary schools in Annecy, Toulon and Marseille, the Foundation's support will enable this young association to expand its activities to new areas.

With its new service, My Carbon Footprint, Monabanq provides its customers with a real-time estimate of their carbon footprint and enables them to act in favor of the environment. Accessible from the Monabanq mobile application and from the customer area on the remote banking website, the My Carbon Footprint feature calculates the greenhouse gas (GHG) emissions associated with expenses recorded at the start of the deposit account. Each expenditure is estimated in kg of CO₂. This calculation is defined according to lifestyles and spending sectors: housing (water, gas, electricity, etc.), transport (gasoline), daily services (telephone subscriptions, Internet, etc.) and daily expenses such as food. Once the results are in, users can improve their score by changing their consumption choices, for example.

(1) Prize awarded on September 13, 2022.

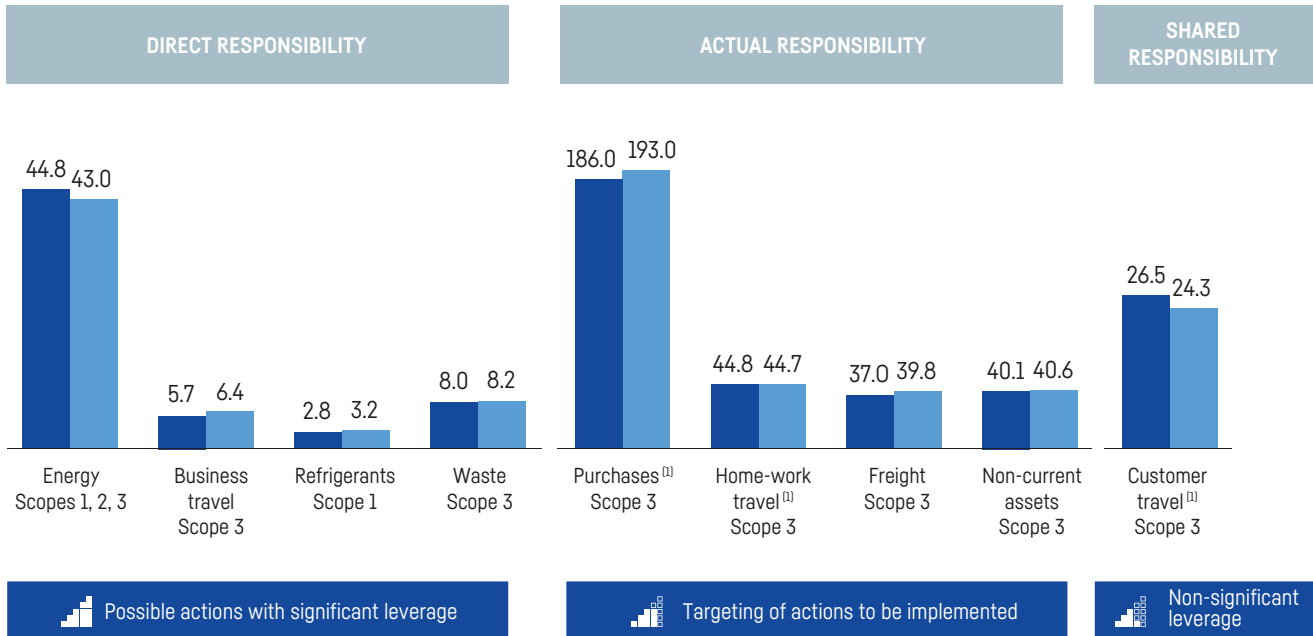
(2) Scope of business travel, motor fleet, energy and refrigerant gas leaks.

(3) <https://www.creditmutuelalliancefederale.fr/fr/fondation.html>

COMPARATIVE ANALYSIS OF FRANCE'S CARBON FOOTPRINT (in kTCO₂eq), OFFICE LIFE SCOPE



2021 : 396 kTCO₂eq
2020 : 403 kTCO₂eq



● 2021 ● 2020

[1] Management rule revised. The 2020 footprint has been recalculated.

Actions to reduce Crédit Mutuel Alliance Fédérale's carbon footprint

Launch of an energy sobriety plan

Faced with climate change and the risk of an energy shortage, in October 2022 Crédit Mutuel Alliance Fédérale launched an energy sobriety plan based on four major actions:

- heating reduced to a strict minimum: as heating is the main factor in reducing energy consumption (33% of a branch's energy consumption), the temperature of the premises is limited to 19°C, both in the head offices and in the Crédit Mutuel and CIC branches. Strict measures to limit air conditioning will also be taken;
- extinction of illuminated signs and office lighting outside working hours: all illuminated signs at the head office, the Crédit Mutuel local banks and CIC branches are switched off, day and night. This measure was applied by November 1 for structures requiring technical adaptations. In addition, the lights of the premises are switched off at the end of the service. Overall lighting represents 15% of the energy consumption of a bank branch;

- collective organization of eco-friendly actions: as reducing energy consumption is everyone's business, the group's employees are trained in eco-friendly actions and waste management. Together, they can implement impactful actions. As an example, the Christmas decorations have been revised to continue to celebrate the holiday season without the use of electric lights;

- reduction and adaptation of travel.

Walking, cycling, public transport, carpooling: an incentive campaign was carried out among employees to promote active mobility. Training, refresher courses are offered in partnership with the French Cycling Federation. The introduction of the sustainable mobility package for the second consecutive year encourages employees to adopt these modes of transport. It was revalued in 2022 from €400 to €700.

Each entity is called upon to appoint energy sobriety ambassadors to accelerate the implementation of the defined measures. The plan adopted extends the actions already undertaken by Crédit Mutuel Alliance Fédérale in favor of the energy transition and described below.

ISO 50001 certification

As part of the National Low-Carbon Strategy, the building sector must reduce its energy consumption by 60% by 2050. To help achieve this objective, Crédit Mutuel Alliance Fédérale has set up an energy management system.

This system, set up by the business line subsidiary CCS, certified ISO 50001 in December 2020, monitors the energy performance of all tertiary buildings (reference year 2018), its datacenters, as well as the motor fleet. It was the subject of the second control audit in October 2022. This audit covered both the overall management of energy performance and its integration into the daily life of central sites, datacenters and branches. The audit report cleared all minor non-compliance and thus confirmed the certification.

The energy management system continues to be integrated into all organizations. Significant work on the structuring and reliability of data continued and will be strengthened thanks to the arrival of a dedicated resource within the energy team. Overall performance targets are met in all areas covered by the certification. The involvement of banks and federations continues. Under the leadership of Executive Management, energy sobriety measures were reinforced in the fall of 2022 with the extinction of all illuminated signs and the adjustment of temperature settings. On this occasion, all the networks were reminded of the eco-friendly actions to adopt.

Work in 2023 will focus on the renewal of ISO 50001 certification by continuing the approach initiated in particular in terms of:

- knowledge and management of the energy performance of branches;
- increasingly active involvement of maintainers in monitoring and managing the energy performance of central sites and datacenters;
- simple retrieval of electrical consumption data for vehicles in the fleet.

Recommendations for temperatures and buildings

These recommendations are based on the energy code and the NF EN ISO 7730 standard and will enable more than 90% of employees to be in a comfort zone. To optimize the comfort of occupants, the temperature range can be adjusted by $\pm 2^{\circ}\text{C}$ using a remote control.

The new set points allow a gain of 1°C on average over the year, including the possibility of a $\pm 2^{\circ}\text{C}$ variation. For ADEME, this translates into 7% energy savings.

INDOOR TEMPERATURE SETTING

	Winter		Summer	
	Day	Night	Day	Night
	7 a.m.-7 p.m.	7 p.m.-7 a.m. and weekend	7 a.m.-7 p.m.	7 p.m.-7 a.m. and weekend
Office and meeting rooms	19°C	16°C (gradual rise in temperature at the end of the period)	25°C	Temperature drift limited to 30°C
IT room, telephony, security, electricity (LITSE)	Room to be heated if temperature < 17°C		Room to be cooled if temperature > 30°C	

Tertiary decree

The tertiary sector decree resulting from the Elan law requires companies to make energy savings in tertiary sector buildings of over 1,000m². It aims to ensure that owners and tenants act together to limit the energy consumption of buildings. Two paths are possible: reaching a threshold in absolute value set by order of the French Ministry of Ecological Transition or reducing energy consumption by 40% by 2030, 50% by 2040 and 60% by 2050.

Crédit Mutuel Alliance Fédérale has organized itself to meet these commitments. Of the 4,712 buildings monitored in its energy management system, 810 are subject to the tertiary sector decree and their 2020 and 2021 energy consumption has been declared no later than December 31, 2022 on ADEME's Observatory of Energy Performance, Renovation and Tertiary Sector Actions.

Partnership with Voltalia

Crédit Mutuel Alliance Fédérale has signed a 25-year contract with Voltalia, a French producer and reseller of renewable energies for the supply of green energy. The agreement provides for the construction in France of a solar energy production plant whose projected production volume will represent approximately 5% of the group's total electricity consumption. Installed in the PACA region, on salty land unsuitable for

agriculture, the park will be equipped with solar panels produced by Voltec Solar, an Alsatian company. Its commissioning is scheduled for the last quarter of 2024. This partnership illustrates Crédit Mutuel Alliance Fédérale's desire to reduce its carbon footprint and to be a responsible actor of change, from a social and environmental point of view.

Business travel policy

The Centre de Conseil et de Service (CCS) subsidiary promotes the energy transition of its members' motor fleets by choosing to no longer purchase vehicles with a diesel engine. The number of kilometers traveled by the diesel fleet decreased by 13% between 2021 and 2022.

The use of cleaner, more fuel-efficient vehicles has accelerated, resulting in the ISO 50001 Energy Management certification of the group's motor fleet.

This policy aimed at accelerating the energy transition and eliminating fossil fuels was continued with the adaptation, in September 2022, of the vehicle charter of the group's motor fleet. The choice of vehicles is now based on a selection of models that do not use fossil fuels exclusively and that have the best performance in terms of CO₂ emissions (the catalog consists only of autonomous hybrid, plug-in hybrid or electric vehicles).

Almost all orders for new vehicles are now for electric or hybrid vehicles.

In terms of results related to the reduction in consumption between 2019 and 2022:

- the number of kilometers traveled decreased from 101.6 to 79.4 million, *i.e.* -22% over the period;
- fossil fuel consumption fell from 6,350 to 4,485 m³, *i.e.* -30% over the period.

These decisions have been supported by an internal advertising campaign to encourage a reduction in the number of kilometers traveled notably by producing reports and recommendations to restrict business travel. In addition, eco-driving training, which teaches people how to optimize energy consumption, is part of the group's 2023 training plan.

The travel policy, awarded the *Grand Prix de l'écomobilité* 2022 by the SNCF⁽¹⁾ prioritizes public transport and carpooling and encourages the use of bicycles through the introduction of corporate travel plans in certain group entities. It also encourages employees to reduce the environmental impact of their travel by incorporating restrictions on the use of air travel and promoting rail. For journey that can be completed by train, air travel is no longer available on the travel booking platform.

These guidelines aimed at reducing the environmental impact of business travel by reducing the use of air transport were continued with the adaptation, in November 2022, of the group travel policy and travel reservation tools, such as:

- the use of air travel is subject to hierarchical agreement for journeys that can be completed in less than five hours by train;
- it is recommended that meeting/training locations be accessible by rail for the majority of participants.

In addition, employees can benefit from the sustainable mobility package, which is part of the implementation of remote working set by the quality of life at work framework agreement signed in 2020. This system offers a wider choice of mobility solutions (personal bikes, light motorcycles, electric scooters for hire, carpooling) and promotes alternative modes to private cars, thus reducing the environmental impact of commuting. In 2022, the mobility package was paid to 7,938 people.

In addition, in 2022 Crédit Mutuel Alliance Fédérale launched its own inter-city carpooling platform. At the end of the year, more than 1,100 employees had registered and traveled more than 44,000km.

Upstream and downstream freight transport

The gradual switch from carriers managed by CCS to "clean" vehicles has begun with the integration in the calls for tenders of network shuttles (transport between branches and head offices) of "greening" criteria for their fleet. 80% of the Île-de-France network shuttles within Paris have been "electrified". With the same objective of reducing the carbon footprint of its members' transportation, CCS has completed the reduction of the frequency of visits to the branches (5 days a week instead of 6 days a week). The CM CEE and CIC Est networks, the last networks concerned, completed this harmonization phase in September 2022.

Management of resources

Selective and participatory sorting for recycling is implemented for all sites with more than 250 employees and was extended in 2022 to several head office sites with fewer than 250 occupants. This project satisfies the requirements of the law of August 17, 2015, on energy transition for green growth which requires companies to sort and recycle five flows: paper, plastic, metal, wood, glass.

A policy for managing emails, paper printing and videoconferencing has been in place since 2019 at all group entities. A procedure on the use of emails was drafted to encourage employees to reduce their number and limit the number of attachments. Software to enable a new method for managing shared peripheral printing equipment has been deployed. The goal is to measure the ecological footprint of prints, encourage users to be more responsible, and limit prints.

In 2022, Caisse Fédérale de Crédit Mutuel and Euro-Information continued to organize the Eco Clean-Up Week for all Crédit Mutuel Alliance Fédérale entities. This operation invites employees to optimize their digital carbon footprint by reducing and eliminating files and emails. This 4th operation made it possible to delete more than 180 million digital files for approximately 22.5 million MB, *i.e.* the equivalent of 427 metric tons of CO₂.

The fight against food waste

Strict management of raw materials and waste from the meals served each day has been set up on the inter-company restaurant on the Wacken site. Bio waste is recovered through composting with a local company. The number of dishes served is also adapted according to various criteria such as seasonality, number of people potentially present, taking into account HR data, including training, holidays and various hazards such as weather or other events likely to reduce the number of visitors to the restaurant.

Raising employee awareness

A dedicated PIXIS universe, "Being an eco-citizen at work!" is deployed on all employee workstations to encourage Crédit Mutuel Alliance Fédérale's staff members to take simple and effective actions to protect their environment and participate in reducing the energy footprint.

The tool also provides information on all initiatives: launch of gray recycled paper, use of certified envelopes, adoption of eco-friendly checkbooks on mixed FSC paper, calculation of the carbon footprint of printouts per employee, etc. The "Being an eco-citizen" universe is accessible to all elected members.

At the same time and in order to strengthen communication, a community, Being an Eco-citizen at work, was created on the company's social network. This new medium aims to make exchanges around the SMR approach more dynamic. Each employee can post their ideas, communicate best practices, publish an article, etc. This fun tool facilitates interactions and disseminates the group's communication and events more widely.

(1) *Grands Prix de l'Écomobilité* presented by TGV-INTERCITES in September 2022.

In addition, the construction of a training program dedicated to CSR knowledge and development issues mobilized the teams during the year. This system, made up of several modules of different duration, must enable SMR contacts and employees of all entities to master environmental topics, including climate, social and governance risks, as well as their strategic implementation within Crédit Mutuel Alliance Fédérale. Nearly 50 CSR/SMR contacts have already followed this eight-hour module. The training modules are adapted according to the level of expertise desired for the various teams of the group's entities.

Since 2022, specific training has been designed and delivered for future local bank managers. The School for directors includes a two-hour training module. The aim is to enable participants to:

- understand the challenges of CSR and sustainable development;
- be aware of the SMR approach so that they can raise awareness among their employees;
- mobilize employees around concrete actions and adopt eco-friendly actions in the office;
- communicate on Crédit Mutuel Alliance Fédérale's environmental policy;
- support customers in their ecological transition.

In 2022, a schedule was put in place to provide a significant number of training sessions and promote better knowledge of sustainable development issues for employees of the bank's various activities. In addition, following the deployment of ESG criteria at the lending stage, all CIC and BECM corporate customer relationship managers were trained. This training will be provided in the same way within Crédit Mutuel Alliance Fédérale federations in 2023.

An e-learning module has been included in the mandatory training course for employees. This training is a first awareness of the SMR approach in order to better understand the issues, the objectives of the sectoral policies and the ESG criteria. 39% of registered employees completed this module in 2022.

In addition, Crédit Mutuel Asset Management is also heavily involved in raising awareness among its employees, elected members of Crédit Mutuel Alliance Fédérale and savers about responsible and sustainable finance. Thus, the company regularly participates in conferences on the issues and practices of responsible and sustainable finance. This theme is also the subject of a dedicated communication for current/future holders and on the networks' intranet site through *Le billet de la Finance Responsable*, which is published twice a month. Internal training sessions have also made it possible to raise awareness and train managers on biodiversity and taxonomy.

For its part, on the occasion of World Clean Up Day, Cofidis Group in France launched the challenge of recycling 700 liters of cigarette butts into thermal insulation with TchaoMégot before the 2023 edition of the World Clean Up Day. Cofidis Group opted to rely on two cigarette butt collectors installed on the campus and its 2,500 French employees.

The objective is twofold:

- to recycle cigarette butts with TchaoMégot to transform them into thermal insulation for buildings and textiles;
- to offer one down jacket for every 100 liters recycled to an association that helps the homeless.

Actions to reduce Crédit Mutuel Alliance Fédérale's credit portfolios' carbon footprint

The majority of the CO₂ emissions produced by the activities of Crédit Mutuel Alliance Fédérale entities come from the products and/or services offered to customers. The advantage of calculating the carbon footprint of credit portfolios is to analyze the weight (CO₂ impact) of each financing in the choice of approach to decarbonize the economy and focus on the most virtuous companies in this area. Particular focus is placed on segments with high stakes for the energy and climate transition to define the strategies to be deployed.

As part of the revised strategic plan, Crédit Mutuel Alliance Fédérale is strengthening its environmental ambitions and committing to reduce the carbon footprint of its corporate and investment credit portfolio by 15% by 2023. The purpose is to integrate carbon challenges into investment policies and to measure those with high emissions in order to establish a constructive dialog with the businesses concerned in order to reflect the group's climate strategy.

Crédit Mutuel Alliance Fédérale has selected La Française Asset Management [risk department] to measure the carbon footprint of its credit portfolios. The risk department has a team of ESG data analysts who have established a proprietary methodology to quantify carbon emissions.

Analysis methods:

- scope restricted to companies (excluding retail and SCIs);
- exclusions: central governments, local authorities, sovereigns and project financing from *ad hoc* companies;
- outstandings used in the corporate loan portfolio excluding off-balance sheet items;
- the greenhouse gas data of the companies used in the calculations are two years out of date, as the data for year n and n-1 were not yet available at the time the calculations were made.

The scope covered by carbon data, published or calculated by proxy, represents 65% of exposures, *i.e.* nearly 2,000 counterparties for which consolidated financial data were available. The results distinguish three types of carbon indexes expressed in metric tons of CO₂ per million euros.

The first index, the carbon footprint, provides information on the amount of greenhouse gas that the company generates in proportion to the bank's contribution to the amount of loans granted to it by the bank. The second, carbon intensity, gives a relative indication of the quantity of greenhouse gases generated per million euros of revenue generated, and thus makes it possible to account for the degree of greenhouse gas emissions generated by the company, particularly in relation to its competitors in the sector or from one sector to another. The third, weighted average carbon intensity, shows the degree of greenhouse gas emissions of the portfolio as a function of the weight of the outstanding amounts per counterparty in the portfolio. This indicator allows for a detailed analysis of the financing choices to be made to support certain sectors to invest towards business models that respect the energy transition.

Results:

The carbon footprint of financing decreased by 37% between 2021 and 2022 on the basis of a wider scope [+42% of counterparties hedged]. This decrease is mainly explained by the decrease in activity of companies in 2020 due to the pandemic (the greenhouse gas data used correspond to the year 2020), but also by an improvement in the coverage of the portfolio by carbon data from low-emission French

companies. The geographic distribution matches the profile of Crédit Mutuel Alliance Fédérale's corporate customers which is focused on accompanying French companies: 68.5% of the carbon footprint is focused on French companies compared to 56% in 2021 and 52% in 2020.

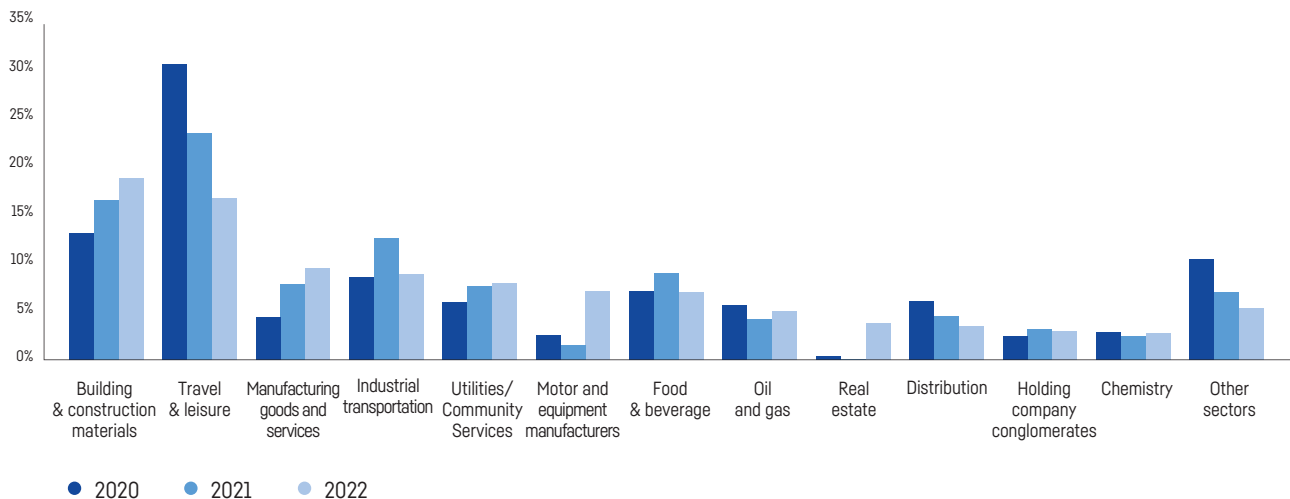
	2022	2021	2020	2019	2018
Carbon footprint (tCO2/€m lent)	158.2	251.3	256.6	286.0	348.6
Carbon intensity of the portfolio (Total emissions/Total revenue)	124.3	175.5	209.3	288.0	351.0
Weighted average carbon intensity (Portfolio weight x Carbon intensity)	268	281.0	299.1	286.9	387.1

As indicated above in the analysis methods, the greenhouse gas data used to calculate the carbon footprint indicators are those for the year 2020. A significant decrease in activity and therefore in greenhouse gas emissions was observed in 2020 in many sectors, and in particular in air transport, due to the pandemic, which is reflected in the financed

emissions indicators produced for the year 2022. In addition, the coverage rate increased from 56% to 65% thanks to the inclusion of French mid-sized institutions, which are generally less carbon intensive, in the calculation.



SECTOR BREAKDOWN OF THE CARBON FOOTPRINT



The most emissive sectors are construction and building materials, travel and leisure - including airlines - and manufacturing goods and services, which account for 45.1% of the portfolio's carbon footprint. The oil and gas sector is only in eighth place with a contribution of 5.1%.

The breakdown of the portfolio's carbon footprint in 2022 is mainly marked by a decrease in the relative weight of the travel and leisure business line of 7.1 points, due to the significant decline in air transport

activity in 2020 following the pandemic [greenhouse gas data for 2020]. This decrease in activity and therefore emissions in 2020 is generally observed in most sectors.

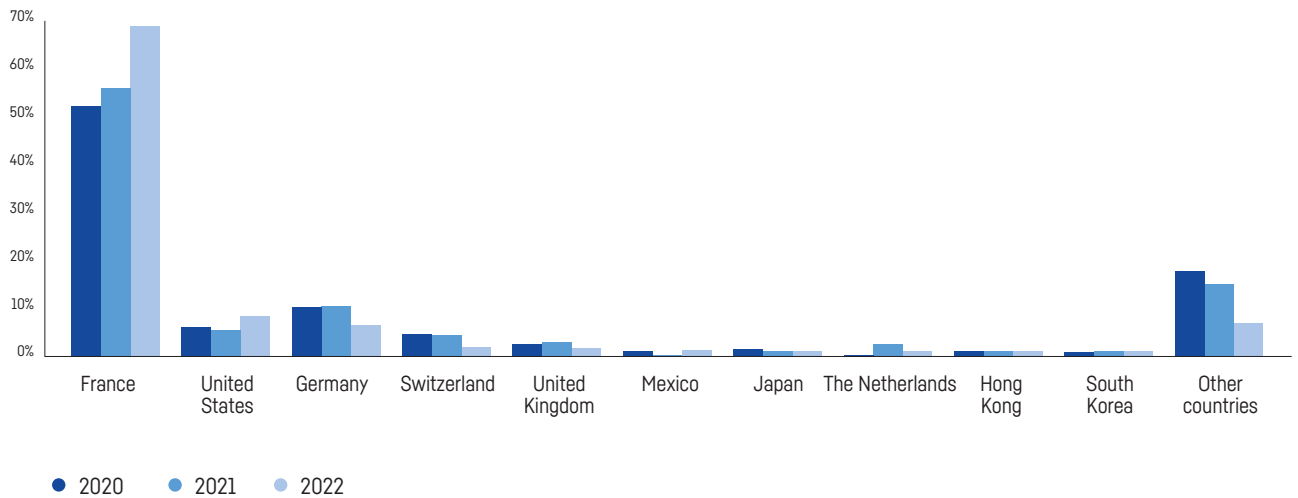
Conversely, there has been an increase in the weight of the construction and building materials, manufacturing goods and services and motor and real estate sectors.

COMPARISON OF THE THREE SECTORS WITH THE HIGHEST EMISSIONS

Segment	% in the hedged portfolio	% in the carbon footprint
Travel & leisure	8.0%	18.8%
Building & construction materials	6.5%	16.8%
Industrial transportation	10.8%	9.5%

NB: passenger transport, which was previously included in the "Industrial transportation" category, is now included in "Travel & leisure".

GEOGRAPHICAL BREAKDOWN OF THE CARBON FOOTPRINT



In 2022, the improvement in the coverage of the portfolio mainly benefited French companies. As a result, the share of French companies increased to 68.5% of the carbon footprint of the analyzed portfolio in 2022 (vs. 55.6% in 2021 and 52.0% in 2020).

Commitment to decarbonizing the shipping portfolio

CIC, a subsidiary of Crédit Mutuel Alliance Fédérale, is a signatory, since 2019, to the "Poseidon Principles". These provide for the integration of climate assessment criteria in lending decisions in the shipping industry. They help measure their impact and nudge operators towards significantly decarbonizing the shipping industry.

The Poseidon Principles form part of the strategy to reduce greenhouse gas emissions adopted by the Member States of the International Maritime Organization in April 2018. This strategy aims to reduce total greenhouse gas emissions from maritime transport by at least 50% by 2050. Its long-term goal is zero emissions.

CIC has set itself the objective of being below the curve of the International Maritime Organization by 2025, as part of its maritime transport policy, which excludes the financing of all vessels carrying oil and dedicated to the transport of unconventional gas. The portfolio score for the data as at December 31, 2021 was -1.01 below the IMO curve. The results for 2021 are not comparable to those for 2020 due to the influence of Covid-19. This analysis was validated by Bureau Veritas.

3.8.2 Reinforce high quality and responsible service solutions and offers

The group provides specific offers and financing to support customer-members and businesses in their environmental approach. In addition to zero interest rate eco-loans, short-term and long-term energy saving loans, solidarity savings and the financing of renewable energy projects, Crédit Mutuel Alliance Fédérale offers subsidized loans to encourage growth and development of companies which have adopted a CSR approach or invested in practical measures to support sustainable finance and the energy transition.

Crédit Mutuel Alliance Fédérale therefore markets the Eco-Mobility offer for private individuals and professionals. The purpose is to accompany our customers and members in the ecological transition and to satisfy their needs for electrical or hybrid mobility and enable them to benefit from the subsidies for purchasing an electric vehicle (ecological bonus and/or conversion allowance). Over 126,000 hybrid and/or electrical or low-emission vehicles have been financed by the Crédit Mutuel and CIC networks since the offer was launched.

The group wishes to underline its commitment to supporting innovative projects in the sustainable development field through its range of Transition loans for businesses by financing investment to help the company transform to a more “responsible” and more efficient economy. The new Transition range satisfies three objectives:

- accelerate the ecological transition of companies. The “Energy Transition Loan” is designed for investments carrying energy savings, improved energy performance and reduced costs. Companies from all sectors are eligible for these investments (equipment, installation, devices, connected works, new products) which are sources of increased energy efficiency and a positive ecological effect;
- consolidate the CSR initiative of companies. The “CSR Transition Loan” finances all the tangible and intangible investments inherent in a company’s social responsibility. It is aimed at companies which have already undertaken a CSR approach (CSR audit required) to finance initiatives to improve employees’ working conditions, save energy, transport and, beyond this, any action which is beneficial for the environment;
- help transform economic models. The “Digital Transition Loan” assists customers with their digital transformation by financing investments to digitize the company’s activities. Companies can modernize their tools and/or transform their economic model with digital technology including by creating new products or services using new technologies: connected objects, artificial intelligence, robotics, etc.

To strengthen this system, the “Industrial Transition Loan”, available since 2021, has been added to the range to finance companies wishing to invest in property, plant and equipment or intangible assets that meet the spirit of the recovery plan initiated by the State based on four areas of focus: (re)locate strategic activities, decarbonize industry, modernize the production system and innovate by supporting investments in research and development.

In summary, the total outstanding loans granted as part of the Transition range amounted to more than €720 million at December 31, 2022.






















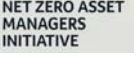







The group also encourages companies to improve their sustainability performance by implementing Sustainability-Linked Loans (SLL) whose financial characteristics change depending on whether the borrower achieves social, environmental or governance objectives.

At CIC Ouest, for example, impact loans for large and medium-sized companies (Transition and LLS loans) accounted for 52% of the amounts granted to FTEs in 2022, compared with 31% in 2021, for an overall production that has doubled. This can be explained by the economic situation, but also by the dedicated efforts of our teams to promote loans whose financial performance is correlated with CSR performance, and by the greater maturity of our customers in this area.



Sustainable finance

Crédit Mutuel Alliance Fédérale is asserting its responsible investment strategy through its management subsidiaries. This diagram shows the main commitments signed by the asset management companies:

	Forum for Responsible Investment (FIR) Promote and develop responsible investment and its best practices in France	2004 2007	 
	Principles for Responsible Investment Encourage the implementation of "Responsible Investment Practices" by asset management players, under the aegis of the United Nations	2010 2012 2017	  
	CDP- Carbon Disclosure Project Encourage companies to be transparent about environmental matters in order to create a common database	2010 2013	 
	Sustainable Real Estate Observatory (OID) Independent forum for the real estate sector on sustainable development	2012	
	Climate action 100+ Ensure that the world's largest emitters of greenhouse gases implement the necessary actions to combat climate change	2017	
	Institut de la finance durable Federate and accelerate the actions undertaken by the financial institutions of the financial market and French companies to achieve the energy and environmental transition.	2019 2022	 
	Science Based Target initiative (SBTi) Support companies in reducing greenhouse gas (GHG) emissions by setting a "science-based" GHG reduction target and providing technical support	2019	
	30% Club France Investor Group Promote gender parity in SBF 120 management bodies (at least 30% women on executive committees in 2025)	2020 2022	 
	Net Zero Asset Manager Alliance Support the target of net zero CO2 emissions by 2050 (or before) and support investments aligned with this target	2021	
	Finance for Biodiversity Pledge Commit to integrating biodiversity into asset management	2021 2022	 
	Business for Nature's call to Action Calling on governments to adopt policies that protect nature	2021	
	Global Impact Investing Network Develop impact investing	2022	

Crédit Mutuel Asset Management

Crédit Mutuel Asset Management continued its strategic project “Towards Responsible and Sustainable Finance” which is fully in line with the medium-term plan *ensemble#nouveau monde, plus vite, plus loin!* [together#today's world, faster, further!] of Crédit Mutuel Alliance Fédérale.

Within this framework, the range is structured in two parts:

- ESG-integrated funds, comprising all funds whose management is based on non-financial criteria alongside financial criteria, to identify market opportunities while respecting environmental, social and governance principles and limiting risk (physical, financial and market, regulatory and reputation). This system is accompanied by regular dialog with issuers to encourage them to change their practices;
- SRI funds, comprising funds managed according to the principles of the State SRI label, including being highly selective of the securities in the portfolio and improving transparency through dedicated reports.

Crédit Mutuel Asset Management is determined to shift all of its asset management to a sustainable and responsible finance approach, backed by its responsible commitment for more than 15 years. This initiative is structured around a proprietary non-financial analysis model which relies on several suppliers of ESG data and climate experts in order to expand its range of SRI funds and ESG integration.

Crédit Mutuel Asset Management has 49 SRI-certified funds, including 26 obtained in 2022: As of December 31, 2022, SRI-labeled funds totaled €21.5 billion, or 31% of total outstandings. This represents an increase of 67% compared to 2021.

The list of SRI funds and the responsible investment policy of Crédit Mutuel Asset Management are available on the website [creditmutuel-am.eu](https://www.creditmutuel-am.eu). Crédit Mutuel Asset Management assesses the exposure of its portfolios to climate risks, within the framework of Crédit Mutuel Alliance Fédérale's environmental goals, and published a climate policy setting out the challenges of such an analysis and the methodologies used to calculate the exposure of its portfolios to these risks.

Finally, bolstered by the informative approach of its asset management company, awareness-raising initiatives for investors have been set up *via* a series of videos aimed at raising awareness of sustainable and responsible finance. White papers^[1] are also published on the management company's website and publicly available on topical and high-stakes topics such as: biodiversity, CO₂ capture, green gas or waste recovery.

Groupe La Française

Groupe La Française is a sustainable investor, taking into account the impact of its decisions and activities on society and the environment. The group offers SRI-labeled funds ranging from equities to real estate, including credit and government bonds.

Groupe La Française presents and makes available on its website its corporate ambitions in terms of CSR and sustainable management through its document, the groupe La Française is committed^[2]. This presentation is completed by the Ethics & transparency code of Conduct^[3], which presents the priorities, the ethical values applied and the commitments for the protection of customers and employees.

The group manages 16 SRI-labeled funds, including four in real estate and 12 in securities, as well as an FNG label in securities:

- in real estate, SRI-labeled funds represent 8% of La Française Real Estate Management's assets under management;
- in securities, SRI-labeled funds represent 51% of the assets of La Française Asset Management and La Française Systematic Asset Management.

In total, labeled funds represent 17% of the group's outstandings.

Assurances du Crédit Mutuel

The range of savings products enables policyholders allows them to invest in financial products that take into account the impact of the ecological transition on companies, but also on the environment and society. Assurances du Crédit Mutuel applies an ESG policy to the financial management of its euro funds in savings & retirement insurance. In terms of units of account, more than 80 funds promoting environmental and social characteristics, or integrating a sustainable investment objective – in order to be classified in Article 8 or 9 according to the European Disclosure regulation – are offered to policyholders in savings & retirement insurance. More than 30 of these unit-linked products also have SRI, Greenfin or Finansol labels. All these funds have been rigorously selected for their environmental and/or social objectives.

Finally, savings & retirement insurance policyholders have access to a turnkey management offer, the Pack Environnement 50, 50% of which is invested in the Assurances du Crédit Mutuel euro fund and 50% in a unit-linked SRI fund, CM-AM Sustainable Planet, whose aim is to play an active role in protecting mankind and its environment.

In addition, the Funds For Good-Global Flexible Sustainable fund managed by Banque de Luxembourg is offered in savings & retirement insurance to Assurances du Crédit Mutuel customers. In 2022, this fund donated half of its net profits to the Funds for Good Philanthropy foundation, which aims to combat poverty by offering support to disadvantaged people with a business project.

[1] Technical notes produced internally that provide an analysis on a specific subject:

<https://www.creditmutuel-am.eu/fr/non-professionnels/actualites/white-paper/index.html>

[2] La Française is committed: https://www.la-francaise.com/fileadmin/user_upload/_imported/XX3533-La_Francaise_s_engage-maj_mars_2022.pdf

[3] Code of Conduct Ethics & Transparency:

https://www.la-francaise.com/fileadmin/docs/Actualites_reglementaires/XX3504-code_de_conduite_global_-sept_2020_FR_EXTERNE.pdf

In addition to its savings offers, Assurances du Crédit Mutuel encourages its customers to reduce their carbon footprint through other offers:

- the Assur Velo offer, which covers the breakage and theft of conventional or electrically-assisted bicycles as well as bodily injury to cyclists, in order to promote the development of soft mobility;
- the Mobility benefit, which covers motor policyholders free of charge for their home-to-work trips, even if they use public transportation or bicycles;

- the Carpooling Taxi benefit, which promotes eco-sharing by covering the cab costs of motor policyholders in the event of their vehicle being immobilized, whether the policyholder is carpooling as a driver or passenger;
- cover for renewable energy installations, through the basic package or the option for outdoor installations of the multi-risk property insurance;
- the option to extend the warranty on the repair of household appliances for property policyholders, in order to avoid replacing these goods for an additional five years.

3.8.3 Renewable energy financing trends

In 2022, CIC's Project finance department (including the regional banks)^[1] financed 14 renewable energy projects: three onshore wind farm projects located in France totaling nearly 125 MW, two offshore wind farm projects in Europe representing nearly 1,920 MW (Hornsea 2 wind farm in the United Kingdom and Gemini wind farm in The Netherlands), two biomass projects located in France representing nearly 209 MW, four solar projects totaling nearly 377 MW (three in France and one in Spain), and three methanization/biogas projects in France.

The aggregate authorizations for renewable energy projects totaled €2.2 billion at the end of December 2022, an increase of 3% compared to the end of 2021. Excluding sub-participations, the aggregate authorizations for renewable energy projects amounted to €2 billion at the end of December 2022, up 1% compared to 2021.

The group's 2019-2023 strategic plan *ensemble#nouveau monde, plus vite, plus loin !* (together#today's world, faster, further!) sets the increase in financing for projects with a high climate impact at 30%. This objective initially concerns the corporate banking activity, notably through project financing. All projects financed strictly comply with the environmental standards of the host country. This financing is subject to an internal evaluation procedure that includes the ESG criteria described in the compliance plan (paragraph 3.11.3.3).

At the same time, the number of renewable energy financing projects to support customers in the professional, individual, farming and business markets carried out by the Crédit Mutuel and CIC networks in 2022, *i.e.* nearly 4,000 cases, has almost doubled compared with 2021.

In 2022 Crédit Mutuel Capital Privé continued to roll out Siloé Infrastructures, an investment fund dedicated to infrastructure. This fund aims to provide shareholders' equity or quasi-equity in projects contributing to the regional development in France, the Eurozone, the United Kingdom and Switzerland. The investment strategy of this fund provides for at least 50% of the capital to be invested in projects related to the energy transition. In addition to the operations carried out in 2020 and 2021, Siloé has invested in a platform of photovoltaic projects developed by the Tenergy group alongside Banque des Territoires. At the end of 2022, the Hexagon investment vehicle, in which Siloé invested in 2020, finalized the commissioning of a 126 MW wind farm project in eastern France. All of these projects will ultimately represent a renewable energy production capacity of nearly 4 GW.

In addition, Siloé provided capital to a company specializing in the development of hydrogen generators and won calls for tenders in electric vehicle charging infrastructures.

Green Bond issue of BFCM

The group has a number of well-adapted issue programs, providing access to investors in the main regions at the international level through public and private issues. As part of Crédit Mutuel Alliance Fédérale's SMR strategy, backed by the goals of the strategic plan, the logical and voluntary decision to be part of a long-term Green Bond issuance program was taken to meet investors' expectations. After a first inaugural issue in 2020, a second issue was carried out in 2021, still focused on green assets (financing of renewable wind and solar projects and new residential buildings under the RT2012 standard). The aggregate amount of these two issues totaled €1.5 billion.

In addition, the team set up for this purpose chose to propose a reference framework defining assets eligible for "green" and social issues, enabling BFCM to strengthen its active approach to financing these business segments. Both these issues, whose implementation methods comply with the best market standards and which have been recognized for the transparency of the methodologies applied (calculation of emissions avoided, selection of eligible assets, etc.) were a great success among bond investors. As the Green Bond issued in 2020 included in the Bloomberg Barclays MSCI Green Bond Index of December 2020, the one issued in 2021 was included in the Bloomberg Barclays MSCI Green Bond Index of December 2021.

All documents are available on the website dedicated to investors: <https://www.bfcm.creditmutuel.fr/fr/investisseurs/presentation.html>

[1] "Project funding" is understood here as a very specific category of corporate financing, called specialized financing (defined in particular by Article 147.8 of European Regulation No. 575/2013) and which meets very specific criteria. These criteria, such as approved by the ACPR in October 2012, are used to set eligibility for deals in CM CIC Project Financing portfolio.

GREEN, SOCIAL & SUSTAINABLE BOND



ENERGY CONSUMPTION

Code	Indicator description	2022*	Published 2021	Change 22/21**
ENV05	Total energy consumption kWh	383,148,360	401,153,059	-9.9%
ENV06	of which electricity kWh	308,098,346	313,717,882	-6.5%
ENV07	gas kWh	50,596,306	63,700,253	-29.6%
ENV08	fuel oil kWh	4,342,781	2,883,702	50.6%
ENV05_01	district heating network kWh	17,298,354	19,141,471	-9.6%
ENV05_02	district cooling network kWh	2,812,496	2,380,749	18.1%
ENV05_03	wood pellets kWh	78	39	ns

* 2022: excluding foreign entities of groupe la Française.

** At constant scope: excluding Beobank, the foreign entities of la Française, Bail Actéa, Bail Actéa Immobilier.

VISO CONFERENCES

Code	Indicator description	2022*	Published 2021	Change 22/21**
ENV32	Number of videoconferences	2,582,182	2,353,730	7.6%

* 2022: excluding entities of groupe la Française.

** At constant scope: excluding Beobank, the entities of La Française, Bail Actéa and Bail Actéa Immobilier.

RECYCLED PAPER AND TONER CARTRIDGES

Code	Indicator description	2022*	Published 2021	Change 22/21**
ENV15	Recycled used paper as output (waste)	16,631	5,266	-4.9%
ENV16	Number of used toner cartridges recycled after use	59,688	59,594	0.1%

* 2022: Recycled paper output: excluding foreign entities of groupe la Française and Beobank - Toner cartridges: 2022: excluding groupe La Française and Beobank entities.

** At constant scope: excluding CMNE and its subsidiaries.

WATER CONSUMPTION

Code	Indicator description	2022*	Published 2021	Change 22/21**
ENV32	water consumption (m ³)	468,512	437,343***	0.8%

* 2022: excluding foreign entities of groupe La Française.

** At constant scope: excluding Beobank, the entities of La Française and Bail Actéa, Bail Actéa Immobilier.

***2021: excluding TARGOBANK in Germany.

PAPER CONSUMPTION

Code	Indicator description	2022*	Published 2021	Change 22/21**
ENV09	Total paper consumption	9,474	5,761	-3.9%
ENV15R	Total recycled paper purchased	4,462	1,031	-6.3%

* 2022: excluding foreign entities of groupe La Française.

** At constant scope: excluding Beobank, the entities of La Française, Bail Actéa, Bail Actéa Immobilier.

3.8.4 Climate risk management

In a world increasingly concerned with combating climate change and environmental degradation, Crédit Mutuel Alliance Fédérale is committed to taking into account climate imperatives in the conduct of all its activities in order to meet the trajectory of the Paris Climate Change Agreements aimed at limiting the increase in temperatures by 1.5 to 2°C by 2100.

The governance of climate risk management is based on three pillars which are currently being rolled out:

Strategy	<ul style="list-style-type: none"> ▪ Governance at the highest level ▪ Inclusion in financial risk management ▪ Sectoral policies key to the strategy
Organization	<ul style="list-style-type: none"> ▪ Major risk management function in coordination with other departments (legal, sales, etc.) ▪ Dedicated tools and workforce ▪ Integration into risk monitoring in the same way as other critical risks
Tools	<ul style="list-style-type: none"> ▪ Climate strategy performance indicators (emissions, outstandings, etc.) ▪ Integration limits/alert thresholds in the RAF^[1] ▪ Comprehensive, reliable and granular carbon footprint data ▪ Projections via stress tests on the ICAAP^[2] ▪ Appropriate controls and audits

[1] Risk Appetite Framework.

[2] Internal Capital Adequacy Assessment Process.

The management of the risks connected to climate change (physical risk and transition risk) is integrated into Crédit Mutuel Alliance Fédérale's financial risk management system. All projects developed are presented to the SMR Governance Committee, the Risk Committee (executive body), and then to the Risk Monitoring Committee (deliberative body) of Crédit Mutuel Alliance Fédérale and are part of the strategic monitoring of risks, in direct liaison with the Chairman and Executive Management.

The ambitious objectives of the demanding Social and Mutualist Responsibility (SMR) policy contribute to improving long-term collective performance and are based on:

1. financing projects with a significant impact on the climate;
2. assisting companies in transforming their business models;
3. adding more environmental requirements to the rules for providing financing;
4. aligning sectoral policies to combat the use of carbon and conventional and unconventional hydrocarbons by means of the climate strategy;
5. including direct and indirect impacts of climate risk of the group's activities in Crédit Mutuel Alliance Fédérale's risk mapping^[1].

[1] The system is described in Chapter 3.3 "Non-financial risks and opportunities for Crédit Mutuel Alliance Fédérale".

Qualitative integration of climate risk in the risk appetite framework

The risk appetite framework (RAF) – or mechanism is presented in Chapter 5 of this universal registration document. In the area of environmental and climate-related risks, Crédit Mutuel Alliance Fédérale ensures that these risks are fully integrated into the development of its activities, with a long-term vision. This translates into:

- the integration of the monitoring of environmental and climate risks, as well as their transmission mechanisms to other risks – particularly credit -, into the risk management system;
- the implementation of dedicated tools to identify, measure, manage and monitor all of these risks, both physical and transition;
- the deployment of measures to mitigate the impact of environmental risks and measures to adapt to climate change.

Environmental and climate-related risks are specifically monitored as part of Crédit Mutuel Alliance Fédérale's risk appetite.

In 2023, two climate and environmental risk indicators were rolled out, in line with sectoral policies. These are exposures to the coal sector and the hydrocarbon sector of Crédit Mutuel Alliance Fédérale's customers operating in these sectors. Alert thresholds and limits have been set according to Crédit Mutuel Alliance Fédérale's risk appetite, with corrective actions if these levels are exceeded.

As a reminder, Crédit Mutuel Alliance Fédérale's sectoral policies set criteria for the exercise of activities with the highest social and environmental impacts – including climate risks.

Climate risks – country limit

In the context of the rise in risks related to climate change that could impact countries and their economies, research on the assessment of climate risks has made it possible to include an ESG component in the definition of these country limits. These limits consist of capping the exposure levels that the group authorizes to take on the counterparties with which it deals in each country. Thus, the calculation of the country limit takes into account the Notre Dame Global Adaptation Index – or ND-GAIN⁽¹⁾ which reflects:

- the vulnerability of the countries to climate change, based on 36 quantitative and qualitative criteria (principal themes: health, food, ecosystems, habitat, access to water and infrastructure);
- the readiness to adapt to these changes, based on nine economic, social and governance criteria.

The limit is affected by a penalty which differs depending on the level of the index. In fiscal year 2022, the calculation of country limits taking into account the ND-GAIN index was updated even though the country ratings of financial agencies are increasingly integrating the environmental aspect.

ECB stress test 2022

The ECB organized a climate stress test in 2022 for the banks directly supervised by it. Crédit Mutuel Alliance Fédérale participated in the dedicated working group led by the Confédération Nationale du Crédit Mutuel on the completion of the three modules:

- the first module concerned a qualitative questionnaire relating to the integration of climate risks in stress test exercises;
- the second module concerned the collection of carbon and financial data from the top 15 customers for each of the 22 segments monitored;
- the third module analyzed the impact of transition and physical risks based on four scenarios predetermined by the Network of Central Banks and Supervisors for Greening the Financial System (NGFS).

An analysis of the results shows that a system for controlling these risks has been put in place to ensure that they are managed and monitored in accordance with the consolidated roadmap. On the other hand, in the context of the ECB stress test on credit risk, it appears that climate risks do not cause a significant increase in short-term risks (provisions, transfer of buckets), either in terms of physical risk (one-year horizon) or transition risk (three-year horizon). At this stage, the group does not therefore allocate any additional shareholders' equity for climate risks.







(1) <https://gain.nd.edu/>

Taxonomy

Pursuant to European Commission Regulation (EU) 2020/852, Crédit Mutuel Alliance Fédérale publishes its balance sheet exposures to sectors eligible for the Taxonomy regulation.

The European Taxonomy is a set of sustainability criteria for companies, investors and governments. It identifies economic activities that can be considered sustainable or eco-responsible. It thus enables financial players and companies to have a common language and facilitate sustainable investments and financing.

It determines six environmental objectives to which the asset must correspond in order to be qualified as eligible or aligned.

<p>Climate change mitigation</p> 	<p>Climate change adaptation</p> 	<p>Sustainable use and protection of aquatic and marine resources</p> 
<p>Stabilization of greenhouse gas concentrations in line with the Paris Agreement target to limit the rise in temperatures</p>	<p>Reduction of the risk of negative impacts of the climate on economic activities, populations, nature or property</p>	<p>Maintaining the good condition of water resources and preventing the deterioration of marine and river waters or aquatic ecosystems</p>
<p>Transition to a circular economy</p> 	<p>Pollution prevention and reduction</p> 	<p>Protection and restoration of biodiversity and ecosystems</p> 
<p>Waste prevention, reduction, recovery and recycling</p>	<p>Prevention and reduction of emissions of pollutants other than CO₂ in the air, water and soil. Improvement of air, water or soil quality levels</p>	<p>Conservation of natural habitats, preservation of their deterioration, use and sustainable management of land and forests. Implementation of sustainable agricultural practices</p>

An economic activity is considered eligible if it is included in the evolving list of activities included in the delegated acts of the Taxonomy Regulation. These are the activities selected at this stage by the European Commission because they are likely to make a substantial contribution to at least one of the environmental objectives. This list will be gradually supplemented.

An activity is classified as sustainable or aligned if it meets four conditions:

- the economic activity must be able to demonstrate that it provides a substantial benefit to at least one of the six environmental objectives;
- it must do no significant harm to any of the other five environmental objectives;
- it must respect the minimum social guarantees;
- it must comply with the technical performance thresholds.

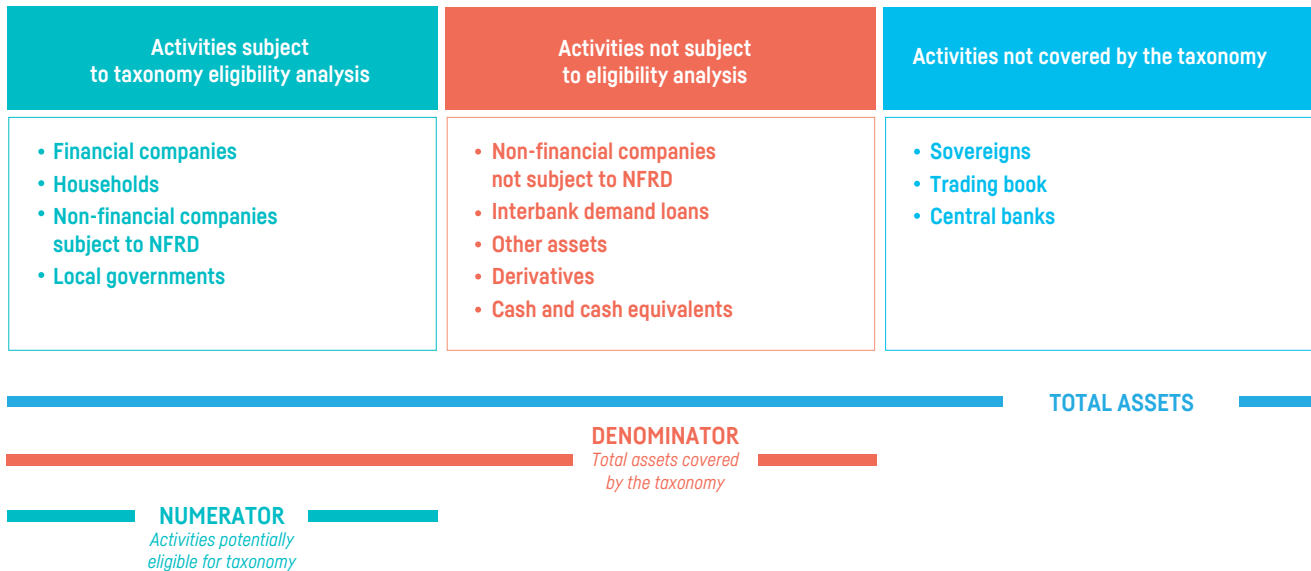
In addition, to meet the objective climate change mitigation, *i.e.* reducing the impact of an organization on the environment, the activity can be classified within three levels of qualification:

- sustainable activities: purely green carbon neutral or low-carbon activities, compatible with the Paris Agreement (example: low-carbon transport);
- transition activities which contribute to reducing greenhouse gas emissions when there are no alternative activities that are already sustainable, such as building renovation;
- enabling activities: those that make it possible to transition, “green” or reduce emissions from other activities/segments (e.g. wind turbine manufacturing plant).

Methodological presentation

Taxonomy reporting architecture

The diagram below specifies the scope of assets taken into account in the analysis of the balance sheet according to regulatory requirements (Article 8 of the Taxonomy Regulation).



Balance sheet asset analysis method

Crédit Mutuel Alliance Fédérale analyzed its exposures to determine the eligibility of its portfolio for the European Taxonomy by identifying the share of its assets eligible for the first two objectives of this regulation in the customer portfolio. This eligibility analysis was carried out according to several criteria.

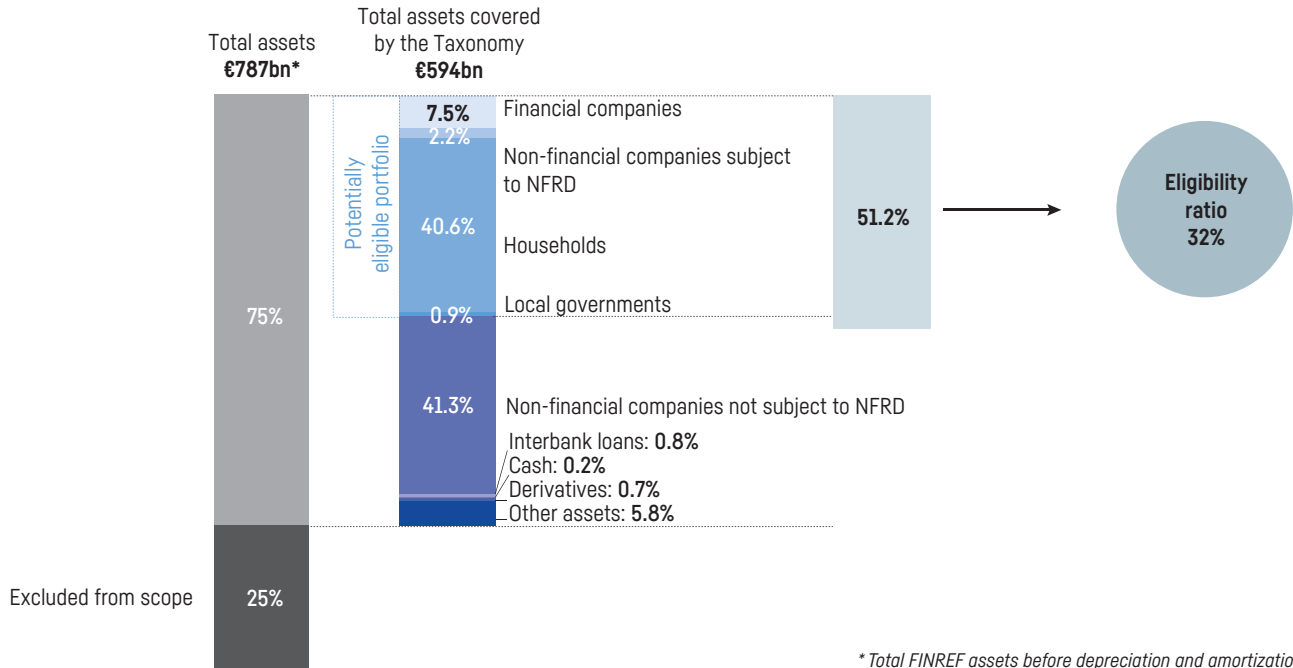
For the household financing part, all real estate loans and property renovation work were considered as fully eligible in accordance with delegated regulation 2021/2178 of July 6, 2021. This year, all vehicle loans made on or after January 1, 2022 were added.

Concerning the corporate financing part, the first step was to identify the customers subject to the European Non-financial reporting directive, the second was to collect the eligibility percentages for the Taxonomy of corporate revenue. This information comes from their universal registration document, management report or non-financial performance statement. The eligibility percentages thus published by the customers were used as a basis for weighting the outstandings relating to the latter. As a reminder, in the previous year, the voluntary Green Asset Ratio (GAR) took into account the eligibility of the activities of customers subject to NFRD on the basis of their main sector of activity (referenced by Delegated Regulation [EU] 2021/2139).

It should be noted that in the case of an exposure to a subsidiary, the choice was made to use the ratio published by its parent company.

Portfolio eligibility

Details of eligibility analysis results



The assets excluded from the scope correspond to exposures to central governments, central banks and supranational issuers, as well as to the trading book.

Note: exposures to CDC, a French public institution that benefits from the same rating as France and is considered to be equivalent to sovereign, are also excluded from the scope.

51.2% of the assets covered by the regulation were subject to the Taxonomy eligibility analysis.

As of December 31, 2022, the Green Asset Ratio of eligibility to the Taxonomy is 32%, which corresponds to the ratio of eligible assets to all assets covered by the regulation.

PRESENTATION OF REGULATORY RATIOS (MANDATORY BASIS)

Ratios	Denominator	2022
Share of exposures on economic activities eligible for the taxonomy	Total assets covered by the taxonomy	32.0%
Share of exposures on activities not eligible for the taxonomy	Total assets covered by the taxonomy	19.3%
Share of exposures to central governments, central banks and supranational issuers	Total assets	21.7%
Share of derivatives	Total assets	0.5%
Share of exposures to companies not required to disclose non-financial information under Article 19 bis or Article 29 bis of Directive 2013/34/EU (NFRD)	Total assets	31.1%
Share of trading book	Total assets	2.9%
Share of interbank demand loans	Total assets	0.6%

Nuclear energy and fossil gas activities

In accordance with delegated regulation EU 2022/1214, Crédit Mutuel Alliance Fédérale publishes the “Model 1 - Nuclear energy and fossil gas activities” required by the regulations. Concerning models 4 and 5, also subject to publication obligations under delegated regulation 2022/1214, Crédit Mutuel Alliance Fédérale is not in a position to publish data as of December 31, 2022 due to the unavailability of information, in particular due to the fact that they depend on the first publication of these tables by non-financial companies on which financial institutions rely for their own publication.

Nuclear energy activities		Fossil gas activities	
The company is engaged in, finances or is exposed to research, development, demonstration and deployment of innovative facilities for the production of electricity from nuclear processes with a minimum of waste from the fuel cycle.	Yes	The company is engaged in, finances or is exposed to construction or operation of facilities for the production of electricity from gaseous fossil fuels.	Yes
The company is engaged in, finances or is exposed to the construction and safe operation of new nuclear power or process heat facilities, including for district heating purposes or for industrial processes such as hydrogen production, including their safety upgrades, using the best available technology.	Yes	The company is engaged in, finances or is exposed to the construction, refurbishment and operation of combined heat/cooling and power generation facilities based on gaseous fossil fuels.	Yes
The company is engaged in, finances or is exposed to the safe operation of existing nuclear power or process heat production facilities, including district heating or industrial processes such as hydrogen production, based on nuclear energy, including their safety upgrades.	Yes	The company engages in, finances, or is exposed to the construction, rehabilitation, or operation of heat generation facilities that produce heat/cold from gaseous fossil fuels.	Yes

However, the financing of the aforementioned activities is governed by internal rules set out in dedicated sectoral policies. The sectoral policies are texts governing the financing and investments of Crédit Mutuel Alliance Fédérale which intervene in sensitive sectors with regard to social or environmental criteria. Thus, some of the above-mentioned financing that has been carried out in the past is no longer feasible due to the implementation of sectoral policies.

The “civil nuclear energy” sectoral policy provides a framework for operations and advice provided to companies in the civil nuclear sector. The group ensures that any request is within the framework of the laws in force as well as the standards or recommendations issued by independent organizations in the nuclear sector. An internal decision-making process is defined and follows a reference framework which notably takes into account the host country, the type of financing of the projects in question and the international financing rules. Like all sectoral policies of Crédit Mutuel Alliance Fédérale, the “civil nuclear energy” policy is publicly available.^[1]

Similarly, the “hydrocarbons” sectoral policy prohibits any financing of new exploration, production, infrastructure^[2] (oil and gas pipelines and storage units) or processing (oil refineries, gas liquefaction terminals) projects in oil and gas. This decision reinforces the decision initially taken in February 2020 to no longer finance unconventional hydrocarbon projects, including projects in the Arctic. Similarly, Crédit Mutuel Alliance Fédérale will refrain from providing banking and financial services to companies listed in the Global Oil & Gas Exit List (GOGEL) reference list of the NGO Urgewald, whose share of unconventional hydrocarbon production exceeds 25% (threshold that will be reduced to 20% on 01/01/2024)^[3].

Next steps

In 2023, Crédit Mutuel Alliance Fédérale will continue its work on Taxonomy reporting in order to calculate the alignment of its assets with the first two objectives (mitigation and adaptation to climate change).

Regarding financing to companies subject to NFRD, the alignment percentages calculated by customers will be taken into account both in terms of their revenue and their investments.

For purpose-built financing such as real estate assets, vehicles or financing dedicated to climate change mitigation and adaptation, an analysis of the technical criteria^[3] will be conducted to assess their alignment with the Taxonomy.

The four other environmental objectives will be included in the analysis, as soon as the complementary delegated acts of the European Commission are published in the Official Journal of the European Union.

Pillar 3 ESG

Additional detailed data on Crédit Mutuel Alliance Fédérale’s environmental, social and governance risks are available in Pillar 3 ESG chapter 5.

[1] <https://www.bfcm.creditmutuel.fr/fr/rsm/politiques-sectorielles/index.html>

[2] Excluding the shipping sectoral policy:

https://www.bfcm.creditmutuel.fr/partage/fr/CC/BFCM/assets/articles/rsm-politiques-sectorielles/Politique_Mobilite_Secteur_Maritime.pdf

[3] Technical criteria listed in Appendix II of Delegated Regulation [EU] 2021/2139 of June 4, 2021.

Obligations related to Article 29 of the energy-climate law for the activities of insurance companies and asset management companies

The energy-climate law and its implementing decree 2021-663 published on May 27, 2021 reinforce the ESG transparency requirements of investors whose assets and/or total balance sheet exceed €500 million.

The publication requirements cover three areas:

- climate: with the publication of the strategy to align with the temperature targets of the Paris Agreement (with quantitative targets for greenhouse gas emissions every five years until 2050) as well as the alignment of outstanding amounts (or the balance sheet) with the European Taxonomy sustainable activities and fossil fuel activities;
- biodiversity: through the publication of a strategy for alignment with international biodiversity conservation targets, with quantified targets;
- the integration of ESG factors in the risk management, governance and transition support systems (in particular shareholder engagement) of market players.

Since last year, these reports have been published on the website of each entity, sent to the competent authorities (including banking and financial supervisors) and to the Climate Transparency Platform (Climate Transparency Hub) of ADEME.

Publication of GACM asset eligibility indicators

In accordance with regulatory requirements, GACM publishes the eligibility indicators of its assets for the European taxonomy. The basis for calculating the published ratios is the total assets of GACM, including account units, but deducting exposures to central governments, local governments, central banks or supranational issuers.

The share of exposures to taxonomy (A) eligible activities at the end of 2022 includes real estate assets invested directly or *via* funds, as well as exposures to companies that have published their share of eligible revenue, pro rata to the latter. The latter represent 12% of the assets of the calculation base (E). The share of exposures to activities not eligible for taxonomy (B) represents 24%. The share of derivatives is close to 0%. Lastly, the share of exposures to companies not subject to the NFRD (D) is 12%.

No data estimated on the eligibility or non-eligibility of business activities for the taxonomy was used. The difference between the sum of the aggregates (A), (B), (C), (D), and the calculation base (E), corresponds to the assets for which the data is not available.

	As a percentage of the calculation basis	In market value as of 12/31/2022 <i>[in € millions]</i>
Share of exposures to activities eligible for taxonomy (A)	12%	11,943
Share of exposures to activities non-eligible for taxonomy (B)	24%	23,276
Share of exposures to derivatives (C)	0%	-141
Share of exposures to companies not subject to the NFRD (D)	12%	11,916
Calculation basis (E) = [1] - [2]	100%	98,457
Share of exposures to central governments, sovereigns, central banks or supranational issuers [2]		22,080
Total assets excluding account units [1]		120,537

Asset eligibility indicators of asset management companies subject to publication

In accordance with the requirement of the decree implementing Article 29 of the Energy-Climate law, since last year the management companies concerned have been publishing eligibility indicators for their assets as part of the publication of their Article 29 report in the first half of the year following the year-end.

Investment policies of insurance activities and asset management companies

The energy-climate law and its implementing decree 2021-663 published on May 27, 2021 reinforce the ESG transparency requirements of investors whose assets and/or total balance sheet exceed €500 million.

The publication requirements cover three areas:

- climate: with the publication of the strategy to align with the temperature targets of the Paris Agreement (with quantitative targets for greenhouse gas emissions every five years until 2050) as well as the alignment of outstanding amounts (or the balance sheet) with the European Taxonomy sustainable activities and fossil fuel activities;
- biodiversity: through the publication of a strategy for alignment with international biodiversity conservation targets, with quantified targets;
- the integration of ESG factors in the risk management, governance and transition support systems (in particular shareholder engagement) of market players.

Since last year, these reports have been published on the website of each entity, sent to the competent authorities (including banking and financial supervisors) and to the Climate Transparency Platform (Climate Transparency Hub) of ADEME.

Groupe des Assurances du Crédit Mutuel

Committed for several years to sustainable development, Groupe des Assurances du Crédit Mutuel (GACM) confirms its status as a responsible company through its investment policy.

As a selective investor, GACM has an ESG policy that is regularly updated and validated by the Finance Committee, a committee in which the Chief Financial Officer and Chief Executive Officer participate. This policy enables GACM to take into account the sustainability risks on its assets as well as the environmental or social impacts of its investments. It is based in particular on a policy of excluding issuers with a significant ESG risk. In practice, each time a share or bond is purchased, GACM's asset managers have access to an ESG analysis of the issuer using data provided by ISS ESG. This analysis constitutes an aid to decision-making in the investment process, in addition to the financial criteria that are usually analyzed. Accordingly, the GACM ESG policy encourages investment in accordance with the values of Crédit Mutuel Alliance Fédérale in terms of respect for human rights, the environment and the rules of good governance.

In addition, in order to limit its exposure to and support for certain activities with a high environmental or social impact, GACM has adopted ambitious sectoral policies, particularly in the fossil fuel (coal, oil and gas), tobacco and unconventional weapons sectors.

As an active shareholder, GACM attaches particular importance to shareholder dialog and the exercise of its shareholder rights in the companies in which it invests. In this way, GACM intends to defend the financial interests of policyholders on behalf of which it invests while encouraging the companies it finances in their approach to environmental and social responsibility and good governance. These changes in business practices should also enable GACM to achieve its goals of moving away from coal and reducing the carbon footprint of its investments (-33% by the end of 2029 compared to the end of 2018), with a net zero target, by 2050.

When investing *via* external funds, *ad hoc* ESG questionnaires are sent to asset management companies to ensure that they have an ESG policy compatible with that of GACM.

GACM is convinced that compliance with best ESG practices leads to a better long-term valuation of companies and the development of a more sustainable economy around the world.

Crédit Mutuel Asset Management

Crédit Mutuel Asset Management continued its strategic project "Towards Responsible and Sustainable Finance" in 2022, which is fully in line with the medium-term plan *ensemble#nouveau monde, plus vite, plus loin!* [together#today's world, faster, further!] of Crédit Mutuel Alliance Fédérale.

The funds are now classified according to the SFDR regulation, which reinforces communication with bearers on sustainability risk by taking into account environmental, social and governance criteria in the investment strategy. The funds must be classified according to the following categories:

- so-called Article 6 funds: general communication rule common to all funds in the pre-contractual documentation (prospectus), regarding whether or not sustainability risk is taken into account;
- so-called Article 8 funds: the funds covered by this article systematically incorporate environmental and social characteristics. They promote these characteristics insofar as the companies in which the investments are made apply best governance practices;

- so-called Article 9 funds: the funds covered by this article contribute to the achievement of a defined and quantifiable environmental and/or social objective, *e.g.* in terms of carbon emission reduction. They are also products with a social objective, such as impact funds.

This new regulatory framework was an opportunity for Crédit Mutuel Asset Management to redefine its objectives regarding the inclusion of non-financial criteria in the management of its funds. Crédit Mutuel Asset Management's ambition is to classify 100% of open-ended funds under active management in Article 8 or in Article 9.

Overall and according to the classifications of the European SFDR regulation, Crédit Mutuel Asset Management's outstandings break down as follows at December 31:

- Art. 9 funds: €195 million;
- Art. 8 funds: €58.4 billion.

These classifications represented 84.6% of Crédit Mutuel Asset Management's outstandings at December 31, 2022.

Crédit Mutuel Asset Management's responsible investment policy has been modified to take into account the implementation of the SFDR regulation. Thus, responsible investment gradually covers all Crédit Mutuel Asset Management's activities through an ESG integration system for most of the funds or an SRI approach for a range of targeted funds.



Since 2020, Crédit Mutuel Asset Management has been committed to implementing sectoral policies focused on managing sectors with high environmental and social risks, in accordance with Crédit Mutuel Alliance Fédérale's SMR policy. By way of illustration, Crédit Mutuel Asset Management has implemented a coal policy based on quantitative and qualitative analysis criteria. The qualitative review is carried out by a team of expert non-financial analysts who ensure the existence and credibility of a plan to exit the issuers' coal assets by 2030. An escalation process is put in place to monitor the commitments made by the issuers concerned over time.

In addition, Crédit Mutuel Asset Management has implemented a hydrocarbon sectoral policy by applying the criteria set by the group to its activities. Once again, this is in line with the objectives of Crédit Mutuel Alliance Fédérale, which is strongly committed to stopping the financing of fossil fuels. The policy calls for freezing the positions of issuers involved in unconventional hydrocarbon production above a threshold, set for fiscal year 2023 at 25%. This threshold will be set at 20% in 2024.

Finally, a defense & security policy covers both issuers involved in the development, production and distribution of anti-personnel mines as defined in the Ottawa Treaty which came into force in 1999, and cluster munitions as defined in the Oslo Convention adopted in 2008, but also excludes from its investment portfolios, companies involved in chemical, biological and nuclear weapons on behalf of countries not authorized to hold nuclear weapons according to the Nuclear Non-Proliferation Treaty. In addition, a strong vigilance is ensured within the company regarding the severe controversies concerning companies involved in military combat arms.

In order to make this responsible investment policy effective, Crédit Mutuel Asset Management has made the committed choice to build a proprietary ESG analysis model, for companies and governments, in collaboration with non-financial rating agencies [ISS ESG, Sustainalytics, Trucost].

This model is designed around a methodology consisting of 45 indicators, representative of the following four pillars: governance, societal, social and environmental, including climate. This non-financial quantitative approach compares companies within their own business segment to determine which companies are making the most progress in assessing risks (physical, market, financial, regulatory and reputation) and opportunities with regard to sustainable development issues as defined by the 17 United Nations sustainable development goals. In addition, a qualitative analysis, based on dialog with senior executives, is conducted internally by a team of experts on ESG topics. This approach aims to assess in terms of trends, at least over three years, the company's ability to integrate and innovate on the five ESG pillars that make up this approach. Ultimately, Crédit Mutuel Asset Management companies are classified into five groups reflecting both their historical and prospective non-financial performance. Managed by a team with more than 20 years of experience in responsible investment, this expertise is made available to all management teams.

Furthermore, as a player committed to the fight against global warming and to the reorientation of financial flows within an economy compatible with a scenario that limits temperature increases to +2°C, Crédit Mutuel Asset Management has deployed a climate risk assessment system. In this context, Crédit Mutuel Asset Management published a carbon policy in early 2020, updated in August 2022, presenting the challenges of such an analysis and the methodologies used to calculate the exposure of its portfolios to these risks. The proprietary tool is intended to be as integrated as possible, and also covers climate transition issues through analysis of issuers' CO₂ strategy, innovation and measurement of the 3-year trajectory of issuers' performance.

Finally, the exercise of voting rights and dialogue with issuers are essential elements of Crédit Mutuel Asset Management's responsibility as a responsible investor. The principle of the voting policy is to cover all shares held for all companies, regardless of size, nationality or share of voting rights held. Its principles are: respect for the rights of minority shareholders, fairness between shareholders, transparency and quality of information provided to shareholders, balance of power between management bodies, sustainability and integration of the long-term strategy of companies and support for best practices in corporate governance.

In addition, work on impact measurement also continued within the various WGs created for this purpose within F4T.

Groupe La Française

Groupe La Française, as a committed player, presents and makes available on its website its corporate ambitions in terms of CSR and sustainable management through its document, La Française commits^[1].

This presentation is supplemented by the ethics & transparency code of conduct^[2]. The latter aims to present the priorities, the ethical values applied and the commitments for the protection of customers and employees.

Each of the group's divisions, financial assets or real estate, classifies more than half of its outstandings under Article 8 or 9 SFDR, *i.e.* in funds that respect sustainability criteria or set environmental or social performance objectives.

As of December 31, 2022, groupe La Française had 51% of actively managed assets under management classified in Article 8 or 9.

As part of its work with the various stakeholders, the group has implemented a materiality matrix^[3] based on the "comply or explain" principle in order to report on its understanding of the various CSR or sustainability issues within the group. This approach also makes it possible to identify the various issues to which it is committed.

Finally, the sustainability risk policies^[4] on the securities and real estate scope complete the information provided to customers on how sustainability risk is taken into account in managing the funds under management.

In October 2010, to reinforce its commitment, groupe La Française signed the Principles for Responsible Investment as well as the numerous initiatives, charters and commitments listed below. In addition, in line with its commitment to the climate, the group supports the Paris Climate Agreement signed at COP21. In this regard, and in order to go further in defining its objectives, groupe La Française has committed to a new and demanding initiative in 2021, the Net Zero Asset Management initiative, and has validated the objectives of this commitment in 2022. The group also joined the Finance for Biodiversity Pledge and joined two Finance for Biodiversity Foundation working groups as well as the 30% Club France Investor Group.

[1] La Française s'engage: https://www.la-francaise.com/fileadmin/user_upload/_imported/XX3533-La_Francaise_s_engage-maj_mars_2022.pdf

[2] Code of Conduct Ethics & Transparency:

https://www.la-francaise.com/fileadmin/docs/Actualites_reglementaires/XX3504-code_de_conduite_global_-_sept_2020_FR_EXTERNE.pdf

[3] CSR policy and materiality matrix: https://www.la-francaise.com/fileadmin/user_upload/XX3570-Politique_RSE-nov_2021_1_.pdf

[4] Sustainability risk policy for securities:

https://www.la-francaise.com/fileadmin/docs/Actualites_reglementaires/20210309_GLF_Risque_de_durabilite_Val_Mob_art_34_FINAL.pdf

Sustainability risk policy in real estate:

https://www.la-francaise.com/fileadmin/docs/Actualites_reglementaires/20200309_GLF_Risque_de_durabilite_immobilier_art_34_FINAL.pdf

3.8.5 Crédit Mutuel Alliance Fédérale sectoral policies

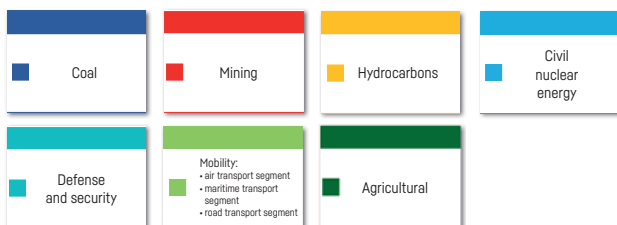
Crédit Mutuel Alliance Fédérale, in the conduct of its diversified business activities, may be involved in transactions, including on sensitive segments with social and environmental risks. As a benefit corporation, Crédit Mutuel Alliance Fédérale wants to work for a fairer and more sustainable society. As such, the group has undertaken to define sectoral policies the aim of which is to define a scope of intervention and to set criteria and principles for conducting business in areas where the social and environmental impacts are the most significant.

The measures resulting from these policies apply to all entities subject to compliance with the legal and regulatory provisions specific to each entity. They may be revised whenever necessary.

Crédit Mutuel Alliance Fédérale chooses responsible sector policies in line with its mutualist values. Its ambition is to support its customers in the transformation of their business model and thus contribute to the fight against global warming, the reduction of biodiversity and the deterioration of the environment. Sector policies and their changes are systematically submitted to the Boards of Directors of Caisse Fédérale de Crédit Mutuel, BFCM and CIC for approval.

In addition, since the first quarter of 2021, exposures related to sectors eligible for a sector policy are subject to dedicated monitoring. This specific reporting includes the risk monitoring system presented to the Risk Committee (executive body) and the group Risk Monitoring Committee (deliberative body). At December 31, 2022, €41.7 billion were eligible for sectoral policies compared to €36.2 billion at the end of 2021, of which €26.7 billion in the Corporate portfolio. In this portfolio, the share of exposures related to the coal and hydrocarbon sectoral policies amounted to 0.6% and 17% respectively.

SECTORAL POLICIES



Inclusion of criteria in the granting of financing

Crédit Mutuel Alliance Fédérale has chosen to strengthen the rules for the application of its sectoral policies by creating specific analysis grids for the business sectors subject to sectoral policies. These documents are to be completed by the teams examining the file and presented to the Commitments Committee. These analysis grids integrate counterparties' non-financial ratings which are analyzed when the decisions to grant banking and financial transactions are taken.

The group has developed an overall assessment grid to expand its requirements for all sectors that are not part of the sectoral policies, enabling the sales teams to ensure compliance with the commitments of the group's SMR approach. This decision support grid also integrates an analysis of the counterpart's ESG policy as well as the consideration of controversies related to human rights, labor rights, the environment, and the fight against corruption.

In order to obtain a contradictory ESG analysis, the analysts and teams in charge of granting financing have access to ESG data provided by the non-financial rating agency ISS ESG. In addition, the teams have the opportunity to submit the file under review to the corporate banking SMR Committee specially created to deal with issues relating to ESG challenges and analysis of controversies for decision by the Commitments Committee. In 2022, 41 projects were presented to the SMR Committee.

Thus, Crédit Mutuel Alliance Fédérale values ethical business relationships and proposes to supplement the financial analysis of the companies financed with an objective analysis of their non-financial performance and more specifically of their commitment to environmental, social and governance issues. This is a committed approach to financing the environmental transition to promote the non-financial performance of customers as an objective decision-making element. This makes it possible to engage in dialogue with customers to better support them in their sustainable growth project. In addition, the reputational risk associated with the non-application of its SMR strategy commitments could create a significant financial risk for Crédit Mutuel Alliance Fédérale. The image and integrity of the group could be tarnished by controversies linked to financing and/or investments granted to counterparties that are not in line with the group's SMR policy or its ethical and responsible values, particularly those promoting sustainable development issues.

Integration of ESG criteria in lending in the networks

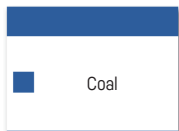
In 2021, Crédit Mutuel Alliance Fédérale started a dedicated working group with the regional bank CIC Lyonnaise de Banque to integrate ESG criteria into financing decisions for companies with revenues of over €100 million. In 2022, following this pilot, the approach was rolled out to all CIC regional banks as well as to BECM. An analysis based on ESG criteria is requested when entering into a relationship or when granting a loan for GE/GME customers. The purpose of this analysis is to:

- determine whether the counterparty is subject to a sectoral policy and verify its proper application;
- analyze any controversies and assess their risk;
- determine the maturity of the company in environmental, social and governance matters.

Through an exchange with the company, an ESG grid is completed at least once a year by the account manager in order to obtain a score. This rating corresponds to the CSR performance of the counterparty. The completion of the grids is the responsibility of the account managers upstream of the presentation of the file to the Commitments Committee to decide on the granting of financing. A CSR Committee has been created at the level of each regional bank and BECM. A consultative body, its mission is to issue opinions on projects that are likely to raise social, environmental or governance issues when entering into a relationship, granting financing or during the annual renewal of the bank's projects. It also aims to advance the methods of project analysis within the bank. Referral to the CSR Committee is mandatory for projects with a score of D- or lower on the ESG questionnaire. The roll-out will continue in 2023 in the federations.

Focus on sector policies

The sectoral policies enhance Crédit Mutuel Alliance Fédérale's commitments to meet the guidelines of the Paris Agreements on climate change as quickly as possible, which aim to limit the increase in temperatures by 1.5 to 2°C by 2100 and make it possible to support customers in the transformation of their business model.



Coal sectoral policy

1. Companies on the Global Coal Exit List

- immediate freezing of banking transactions, financing of projects and investments,
- immediate disposal of investments in insurance, asset management and trading room activities;

2. Absolute threshold

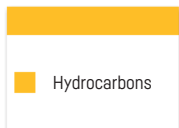
- annual coal production < 10 MT,
- coal-based installed capacities < 5 GW;

3. Relative application threshold

- coal share in revenue < 20%,
- share of coal in the energy mix < 20%.

These criteria are not cumulative. They are intended to totally eliminate the financing of energy derived from coal by 2030. They will be revised every year to become increasingly demanding.

Crédit Mutuel Alliance Fédérale will make the continuity of its financial support to customer companies exposed to the coal sector dependent upon the publication of a dated and detailed plan to close all their coal assets by 2030. These requests may be subject to an escalation procedure with Executive Management.



Hydrocarbons sectoral policy

In October 2021, Crédit Mutuel Alliance Fédérale stopped all financing of new exploration, production or infrastructure projects^[1] (oil pipeline, gas pipeline and storage units) or processing (oil refineries, gas liquefaction terminals) in oil and gas.

Crédit Mutuel Alliance Fédérale reinforces its policy with restrictive thresholds and refrains from providing banking and financial services to companies listed in the NGO Urgewald's Global Oil & Gas Exit List whose:

- share of unconventional oil and gas production exceeds 25% as of January 1, 2023;
- share of unconventional oil and gas production exceeds 20% as of January 1, 2024.

[1] Excluding the shipping sectoral policy:

https://www.bfcm.creditmutuel.fr/partage/fr/CC/BFCM/assets/articles/rsm-politiques-sectorielles/Politique_Mobilite_Secteur_Maritime.pdf

[2] Density between 22.3 to 10° API (American Petroleum Institute).

[3] Density less than 10° API.

[4] Deep-water oil: deep-water oil, which refers to exploration, development and production operations of offshore, the depth of which exceed 5,000 feet (1,500 m).

[5] Scope of the Arctic Monitoring and Assessment Program (AMAP) Zone covering eight countries bordering the Arctic Ocean: Canada, Denmark (with Greenland), Finland, Iceland, Norway, Russia, Sweden and the United States (Alaska), with associated marine areas, for a total area of approximately 18 million km².

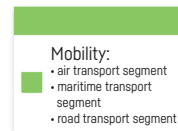
This voluntary trajectory is also in line with the objective of carbon neutrality by 2050.

The unconventional hydrocarbons concerned by the application of the threshold are:

- shale oil or shale gas;
- oil from bituminous sands;
- heavy^[2] and extra heavy^[3] oil;
- deep water oil;^[4]
- oil extracted in the Arctic^[5];
- coal bed methane.

Beyond the respect of the thresholds, Crédit Mutuel Alliance Fédérale conditions the continuity of its financial support to companies committed to respecting a public climate trajectory, detailed and consistent with the objectives of reducing the carbon footprint of its credit, investment and insurance portfolios.

Furthermore, Crédit Mutuel Alliance Fédérale maintains financing and investments for companies in the fossil fuel sector that are publicly committed to a strategy of adapting their activities to promote the energy transition through financing and/or investments dedicated to renewable energy infrastructures.



Mobility sectoral policy

The objective of this policy is to strictly limit the financing granted to the most low-carbon assets. It concerns air transport (financing of airlines, financing of aircraft acquisitions), maritime transport (financing of ship building and dismantling activities) and road transport (financing of light commercial and industrial vehicles).

In terms of air transport

Crédit Mutuel Alliance Fédérale and its subsidiaries will reserve their financing solely for the latest generation models from Airbus, Boeing, ATR, Embraer and Bombardier manufacturers. To ensure renewal within aircraft fleets, and until 2025, only aircraft whose age does not exceed eight years may be financed. Beyond 2025, this age will be reduced to five years. Similarly, Crédit Mutuel Alliance Fédérale limits its financing to companies whose average fleet age does not exceed 15 years, reduced to 12 years from 2025.

In terms of maritime transport

As a signatory of the Poseidon Principles through CIC in 2019, Crédit Mutuel Alliance Fédérale has set itself the objective of dipping below the International Maritime Organization (IMO) curve by 2025, as part of its maritime transport policy. Crédit Mutuel Alliance Fédérale excludes the financing of all vessels transporting oil and dedicated to the transport of unconventional gas.

In terms of road transport

Crédit Mutuel Alliance Fédérale focuses its financing on the corporate market in leasing, credit and the financing of rail freight and passenger assets on assets with the lowest carbon emissions. Only light commercial vehicles and industrial vehicles meeting at least the Euro 6 standard are eligible for financing.



Agricultural Policy

The objective of this policy is to support efficient, sustainable and low-carbon agriculture through the implementation of a comprehensive system: subsidies to support the completion of a carbon assessment and to support certification procedures, range of subsidized dedicated loans.

These schemes encourage operators to invest to reduce greenhouse gas emissions, improve the potential for carbon storage in the soil and preserve biodiversity.

In addition, an objective analysis of the action plans carried out by farmers in environmental, social and governance matters, based on the condition-based principles of the Common Agricultural Policy (CAP), strengthens the lending decision-making system of banking transactions for the agricultural market.

This approach promotes the agro-ecological transition and allows a constructive dialogue with farmers to better support them in their projects.



Mining policy

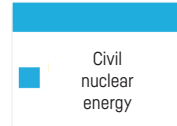
This policy is applicable to all financial transactions intended for mining companies irrespective of the mining resource and method of extraction employed. This covers the entire sector from ore exploration to shipping.

3.8.6 Biodiversity protection

Although Crédit Mutuel Alliance Fédérale is already helping to protect biodiversity through its actions to combat climate change, the group has decided to strengthen its commitments in this area.

Work was undertaken in 2022 to define an action plan and objectives, in particular to reduce Crédit Mutuel Alliance Fédérale's contribution to the erosion of biodiversity in its financing and investments and in its internal operations. A sectoral policy to combat deforestation will be adopted in 2023. This means excluding all financing that could contribute, directly or indirectly, to the destruction of forests, particularly irreplaceable tropical forests.

The group is committed to no longer intervening in the financing or in investments that are directly assigned or related to the development, construction or extension of mining or metallurgical facilities if one of the following characteristics is present: project for asbestos mines, small-scale mines, critical impact on a protected zone or a wet zone that is on the Ramsar list, and Unesco World Heritage sites.



Civil nuclear energy policy

This policy governs operations and advice provided to companies in the civilian nuclear sector. The group ensures that all requests fall within the framework of the laws in force and comply with the standards and/or recommendations issued by independent organizations in the nuclear sector.

An internal decision-making process is defined and follows a reference framework which notably takes into account the host country, the type of financing of the projects in question and the international financing rules.



Defense and security policy

This sectoral policy relates to transactions with companies in the defense and security sector. It recognizes the existence of conventions, treaties, agreements and regulations specific to the weapons industry.

The group refuses to take any part in controversial weapon operations and respects drastic principles regarding unconventional weapons as well as countries affected by such funding.

In addition, in 2021, Crédit Mutuel Asset Management joined Business For Nature and Finance for Biodiversity, and signed the Finance for Biodiversity Pledge to support commitments in favor of biodiversity. Groupe La Française has also been a signatory to the Finance for Biodiversity Pledge since 2022 and has joined two Finance for Biodiversity Foundation working groups. These commitments to the protection, restoration and sustainable management of natural resources must be translated into a responsible investment strategy in this area, in particular by implementing tools to identify, measure and monitor the biodiversity impact of their investment portfolio and shareholder dialogue.

3.9 CSR OF THE TECHNOLOGY DIVISION

3.9.1 Quantitative data

Indicator code	Indicator description	Unit of expression	2022
ENV04	Water consumption	Cubic meter	30,420
ENV05	Total energy consumption	Kilo Watt Hour	74,314,742
ENV05_01	Steam water in urban networks	Kilo Watt Hour	3,962,359
ENV05_02	Chilled water in urban networks	Kilo Watt Hour	666,910
ENV06	Electrical energy consumption	Kilo Watt Hour	64,561,115
ENV07	Gas energy consumption	Kilo Watt Hour	3,638,615
ENV08	Fuel energy consumption	Liters	1,485,744
ENV09	Total paper consumption	Metric tons	76
ENV10	Total consumption of paper for internal use	Metric tons	19
ENV11	Total paper consumption for external use	Metric tons	57
ENV13	Consumption of toner cartridges	Whole number	1,906
ENV15	Recycled used paper as output (waste)	Metric tons	374
ENV15L	Total labeled paper purchased	Metric tons	58
ENV15R	Total recycled paper purchased	Metric tons	14
ENV16	Used toner cartridges recycled after use	Whole number	3,682
ENV18	Business travel – air	Kilometers	1,613,381
ENV19	Business travel – train	Kilometers	6,125,076
ENV20	Motor fleet of the entity – number of km all vehicles	Kilometers	21,881,141
ENV23	Business travel – employee vehicle	Kilometers	212,319
ENV24	Business travel – collective transport – bus-cars-metro-tram	Kilometers	158,592
ENV25	Business travel – taxi & car rental	Kilometers	612,039
ENV31	Number of videoconferencing equipment	Whole number	350
ENV32	Number of videoconferences	Whole number	596,393
ENV33	Total duration of videoconferences	Centesimal hours	862,336
ENV34	Documents digitized (paper avoided)	Metric tons	14
GOUV01	Total number of members of the Board of Directors of the structure (in the sense of capitalistic company)	Whole number	61
GOUV02	Number of women on the Board of Directors of the structure (in the sense of capitalistic company)	Whole number	19
GOUV09_02	Subsidiaries: number of directors from the Board of Directors or Supervisory Board aged < 40 years	Whole number	1
GOUV09_03	Subsidiaries: number of directors from the Board of Directors or Supervisory Board aged 40-49 years	Whole number	5
GOUV09_04	Subsidiaries: number of directors from the Board of Directors or Supervisory Board aged 50-59 years	Whole number	35
GOUV09_05	Subsidiaries: number of directors from the Board of Directors or Supervisory Board aged ≥60 years	Whole number	20
SOC01	Total workforce in FTE	Full-Time Equivalent	5,798
SOC01_BIS	Individual workforce on the payroll	Natural Persons	5,848
SOC01_F201	Female managers with open-ended contracts in France	Natural Persons	1,009
SOC01_F202	Female non-managers with open-ended contracts in France	Natural Persons	439
SOC01_F203	Female managers on fixed-term contracts in France	Natural Persons	4
SOC01_F204	Female non-managers with fixed-term contracts in France	Natural Persons	29
SOC01_H211	Male managers with open-ended contracts in France	Natural Persons	3,098
SOC01_H212	Male non-managers with open-ended contracts in France	Natural Persons	1,119
SOC01_H213	Male managers with fixed-term contracts in France	Natural Persons	2
SOC01_H214	Male non-managers with fixed-term contracts in France	Natural Persons	148
SOC02	Total workforce France (Open-ended + Fixed-term contracts) – Natural Persons	Natural Persons	5,848

Indicator code	Indicator description	Unit of expression	2022
SOC04	Total workforce with fixed-term + open-ended contracts – managers	Natural Persons	4,113
SOC05	Total workforce with fixed-term + open-ended contracts – non-managers	Natural Persons	1,735
SOC07	Individual workforce – Women	Natural Persons	1,481
SOC08	Workforce – open-ended contract	Natural Persons	5,665
SOC08_NCADRE	Workforce – open-ended contract – non-managers	Whole number	1,558
SOC08BIS	Workforce – open-ended contract – women	Whole number	1,448
SOC09	Workforce – fixed-term contract	Natural Persons	183
SOC12	% open-ended contract employees	Percentage rate	97
SOC13	Total hires	Natural Persons	992
SOC14	Men hired	Natural Persons	695
SOC15	Women hired	Natural Persons	297
SOC16	Hires with open-ended contracts	Natural Persons	806
SOC17	Hires with fixed-term employment contracts	Natural Persons	186
SOC19	Number of employees with open-ended contracts that quit the organization	Natural Persons	330
SOC20	Number of employees with open-ended contracts that quit the organization on dismissals	Natural Persons	19
SOC27	Turnover (resignations + layoffs + end of probationary period + conventional breach of contract)/ (individual workforce)	Percentage rate	5
SOC29	Number of full-time employees with open-ended or fixed-term contracts (including full-time parental leave)	Natural Persons	5,625
SOC30	Number of part-time employees with open-ended or fixed-term contracts and managers with reduced day package	Natural Persons	223
SOC31	% of full-time employees	Percentage rate	96
SOC32	% of part-time employees	Percentage rate	4
SOC38	Total number of days of absence	Working days	57,298
SOC39	Number of days of absence due to illness	Working days	55,825
SOC40	Number of days of absence due to workplace accidents	Working days	1,473
SOC41	Number of days of absence for maternity/paternity	Working days	10,637
SOC44	Number of declared workplace accidents with medical leave	Whole number	36
SOC46	Payroll invested in training (payroll expense for training in euros)	Euros	7,161,967
SOC47	% of payroll expense invested in training	Percentage rate	3
SOC48	Number of employees who have had at least one training session	Whole number	5,345
SOC49	% of trained employees	Percentage rate	91
SOC50	Total number of hours allocated to employee training	Centesimal hours	121,278
SOC52	Number of work-study trainings	Whole number	80
SOC53	Number of work-study trainings with professionalization contract	Whole number	11
SOC54	Number of work-study trainings with apprenticeship contract	Whole number	69
SOC59	Number of women among managerial staff	Whole number	1,013
SOC60	% of women among managerial staff	Percentage rate	25
SOC61	Number of managers promoted in the year to a higher level of function	Natural Persons	167
SOC62	Number of women among managerial promotions	Whole number	50
SOC63	% of women among managerial promotions	Percentage rate	30
SOC68	Number of disabled workers in the total workforce	Whole number	131
SOC71	% of disabled workers in the total workforce	Percentage rate	2
SOC73	Gross payroll excluding employers' contributions (in €)	Euros	255,467,268
SOC74	Average annual compensation of employees with open-ended contracts – all statuses	Euros	44,399
SOC75	Average annual compensation of employees with open-ended contracts – non-managers – all statuses	Euros	28,986
SOC76	Average annual compensation of employees with open-ended contracts – managers – all statuses	Euros	50,246
SOC81	Total amount of bonus (profit-sharing and shareholding) (in € – excluding employer contributions)	Euros	38,768,277
SOC82	Number of employees having received a profit-sharing and shareholding bonus	Whole number	5,579

Indicator code	Indicator description	Unit of expression	2022
SOC88	Workforce < 25 years old	Natural Persons	328
SOC89	Women < 25 years old	Natural Persons	58
SOC90	Workforce 25-29 years old	Natural Persons	619
SOC91	Women 25-29 years old	Natural Persons	153
SOC92	Workforce 30-34 years old	Natural Persons	795
SOC93	Women 30-34 years old	Natural Persons	210
SOC94	Workforce 35-39 years old	Natural Persons	912
SOC95	Women 35-39 years old	Natural Persons	204
SOC96	Workforce 40-44 years old	Natural Persons	818
SOC97	Women 40-44 years old	Natural Persons	213
SOC98	Workforce 45-49 years old	Natural Persons	925
SOC99	of which women 45-49 years old	Natural Persons	263
SOC100	Workforce 50-54 years old	Natural Persons	691
SOC101	Women 50-54 years old	Natural Persons	174
SOC102	Workforce 55-59 years old	Natural Persons	501
SOC103	Women 55-59 years old	Natural Persons	140
SOC104	Workforce 60 years old and older	Natural Persons	259
SOC105	Women 60 years old and older	Natural Persons	66
SOC107	Total gross annual compensation (<i>in €</i>) of employees with open-ended contracts	Euros	251,520,896
SOC108	Total gross annual compensation (<i>in €</i>) of non-managerial employees with open-ended contracts	Euros	45,159,629
SOC109	Total gross annual compensation (<i>in €</i>) of managerial employees with open-ended contracts	Euros	206,361,267

3.9.2 Specific report of the Technology division (Euro-Information, EI)

This document brings together the actions of the different entities working in the IT business. In 2022, Euro-Information's main subsidiaries are:

- Euro-Information Développements (EID) which develops the group's software tools;
- Euro-Information Production (EIP) which manages the group's technical infrastructure and production;
- Euro Protection Surveillance (EPS) which offers remote security services;
- Euro-Information Services (EIS) which installs, maintains and replaces IT equipment (workstations, ATMs, telephone, etc.).

The scope was reduced following the sale of Euro-Information Télécom at December 31, 2020.

These entities, whose legal form may vary, are all controlled by Crédit Mutuel Alliance Fédérale. As a result, they apply the rules and procedures particularly in their social, ethical and environmental responsibility aspects.

New regulations

In 2019, the regulations in force led Euro-Information to reflect on Corporate Social Responsibility, through an analysis of the main underlying risks. An ESG risk mapping has been drawn up containing the scenarios.

The main scenarios with which Euro-Information may be confronted are:

- the absence of dedicated SMR governance;
- the fact that social and environmental issues are not taken into account in the purchasing policy;
- the fact that the increasing greenhouse gas emissions contributing to climate change in the group's business activities are not taken into account;
- the absence of a waste prevention and management system at the internal level of the group's entities;
- the failure of the IT systems security mechanism;
- the absence of a policy to reduce resource consumption (water and paper related to a tertiary activity) at the internal level of the group's entities.

The non-financial performance statement therefore includes concrete actions to address these risks as well as indicators to address these scenarios and enable monitoring.

Actions by scenario

The absence of dedicated SMR governance

In 2018, the group defined a new strategic plan, *ensemble#nouveau monde* (together#today's world), which provides a full expression of SMR. The conditions of the health crisis forced Crédit Mutuel Alliance Fédérale to revise this strategic plan with the aim of accelerating its transformation and affirming the relevance of its mutualist model in the face of the crisis. It is now called *ensemble#nouveau monde, plus vite, plus loin!* (together#today's world, faster, further!). Euro-Information remains part of this strategic plan and has an additional objective aimed at providing the group with the IT resources necessary to this approach.

In addition to this revised strategic plan, Crédit Mutuel Alliance Fédérale has become the first benefit corporation in the banking sector. The group adopted the "*Ensemble, écouter et agir*" (Listening and acting together) *raison d'être* to successfully carry out five missions now integrated into the corporate purpose of Caisse Fédérale de Crédit Mutuel and CIC:

- as a cooperative and mutualist organization, we support our customers and members in their best interests;
- as a bank for all, members and customers, employees and elected members, we act for everyone and refuse any discrimination;
- respectful of everyone's privacy, we place technology and innovation at the service of people;
- as a solidarity-based company, we contribute to regional development;
- as a responsible company, we actively work for a fairer and more sustainable society.

SMR is fully integrated into the group's governance and indicators on human and mutualist development have been defined and will be monitored. The Euro-Information subsidiaries contribute to the shared objective of reducing the carbon footprint by 30%.^[1] The group strengthened its ambitions in the fight against climate change by setting two new targets: increase financing projects with high climate impact by 30% and reduce the carbon footprint of its corporate, asset management and insurance portfolios by 15%.

Group management is carried out by a risk management team. In this context, meetings to exchange on actions with all of Crédit Mutuel Alliance Fédérale's SMR contacts in which the Euro-Information correspondent participates are organized and shared documents were created in 2020 to coordinate, reuse and optimize everyone's actions within the group. Euro-Information has announced the implementation of a responsible digital strategy and, in this context, is working on the implementation of indicators and launching specific projects. Decisions are made after validation by Euro-Information management.

The fact that social and environmental issues are not taken into account in the purchasing policy

As a reminder, the supplier management relationship process is part of the certified Quality processes ISO 9001 V2015 monitored and audited by AFNOR. The last renewal took place in June 2022. This process also falls within the scope of the ISO 27001 Information Security Management System certification. The process is written, published and shows the different steps of a beginning relationship, contractualization and management of the supplier relationship.

As part of this process, suppliers have been classified by category, the main one being "Critical and/or Sensitive Suppliers". This classification is made within the framework of the rules relating in particular to the identification of the outsourcing of services according to the rules defined by the group. For the bidding process and in regular fashion, purchasing teams ask these suppliers to provide documents that can attest to their CSR procedures (or to provide the link to the document on the Internet) in order to know the content. This operation is applied in the purchasing process of equipment or software, but also in the context of buying immaterial computer services from DSC (Digital Services Companies) suppliers.

In addition, a sectoral purchasing policy has been developed for the group. It was implemented in 2017 and makes CSR practices easier to understand when it comes to purchasing. Euro-Information has taken this sectoral purchasing policy into account in its procedures. The purchasing policy includes the signing of a charter with suppliers. The group has decided to initiate this process with major current suppliers. This process of affiliation started at the beginning of September 2018, with the charter being sent to the suppliers concerned. Signing the charter is now also part of the policy of beginning a new relationship. Some suppliers refuse to sign the charter, sending us a "similar" internal policy. This charter replaces the collection of documents formalizing their CSR approach, except for suppliers of services (DSC).

Crédit Mutuel Alliance Fédérale has decided to review the sectoral purchasing policy. Euro-Information is associated with this revision. Work began in mid-2022 and will continue in 2023.

In addition, a new version of the internal rules issued at the end of 2018 recalls a certain number of elements concerning the Euro-Information policy with regard to relations with suppliers. A delegation of authority was signed by the buyers reminding them of the respect related to obligations in terms of sectoral purchasing policy. A "Suppliers follow-up" Committee ensures:

- the implementation and updating of procedures for entering into relations with suppliers;
- the monitoring thereof;

[1] Scope France, concerns emissions related to energy consumption, refrigerant gas leaks, business travel and the motor fleet.

- the recovery of ratings [contract quality and quality of services] for essential and sensitive suppliers;
- the gathering of financial ratings for essential and sensitive suppliers established in France, this having been extended from 2019 to foreign suppliers;
- the retrieval or updating of CSR reports for these same suppliers, even though this functioning was abandoned in 2020 due to the signature of the charter by the suppliers;
- the application of consistent practices within other Euro-Information subsidiaries, namely Euro-Information Services (EIS), Euro Protection Surveillance (EPS), Euro-Traitement Valeurs Services (ETVS), Euro-Personnalisation Chèques Cartes et Composants (EP3C) and Euro-Information Direct Services (EIDS), when they have specific purchases to make.

The legal, purchasing, operational risks, security, periodic control and permanent control teams are represented on the Suppliers Monitoring Committee, with a person from the Euro-Information internal audit department as a regular guest. Euro-Information's management is informed of the "Suppliers follow-up" Committee. Two developments took place in 2020:

- the quality of services: the quality of service rating form (Appendix 7 under the process) has changed with escalation criteria and/or action plans to be carried out according to the scores obtained;
- the identification of services (named Appendix 5 under the process): two "CSR Risk" criteria were included in the risk analysis, "CSR reputation risk" and "CSR non-compliance risk" (linked with sector policies).

In 2021, these two forms were slightly modified and a quality of service form was created for intra-group services, in particular for Euro-Information, CCS and a few other community entities. This is a specific version of Appendix 7.

The financial and quality ratings as established above are carried out each year.

A CINT check makes it possible to ensure, for critical and sensitive suppliers, through a quality rating, that the work has been carried out in accordance with the contractual commitments and that the ratings granted contribute to the overall quality of the IS.

In addition, the review of new versions of equipment (workstations, printers, scanners, copiers) includes a CSR approach to energy consumption since 2013. The deployment of increasingly energy-efficient equipment continues. The constant renewal of the fleet (see section of equipment life-cycle) therefore contributes to reducing energy consumption.

A working group on the life cycle of equipment was launched at the end of 2021. The findings of this work will have an effect on the purchasing process next year if necessary. In addition, in 2021, Crédit Mutuel Alliance Fédérale decided, through its subsidiary Euro-Information, to donate just over 500 laptops to various associations and universities (Les Restos du Cœur, Emmaüs, etc.) in order to take action, alongside these associations, to support people in difficulty. This donation policy continued in 2022 and will continue in 2023.

Prevention measures for the "Not taking into account the increase in greenhouse gas emissions contributing to climate change in the group's business activities" scenario

Several tools have been put in place to deal with this scenario.

CSR tools for reporting and group carbon assessment monitoring tool

Each year the CSR reporting tool, as well as the reporting scope, evolves. This tool was once again the basis for the group's NFPS indicators related to SMR.

Work is underway to automate the calculation of home/work distance by taking into account the number of days worked on site.

A new reporting tool, SMR, was implemented in 2022. It enables to generate a detailed carbon footprint report, grouped by SCOPE – which can be found in the carbon footprint – for each group entity.

CSR data is also fed into the *Système d'information décisionnel unifié - SIDU* (Unified Decision Support Information System) in order to perform various extractions and reports.

Euro-Information participates in the calculation of the group 2021 carbon footprint. A project to automate the calculation is in the initialization phase.

Managing the impacts of sectoral policies and ESG regulations in the banking business

As part of the group's objective of reducing CO₂ emissions linked to its customer portfolio by 15%, Euro-Information has contributed by making several technical advances available:

- in 2022, a new information system application from Euro-Information provided the non-financial ESG rating of ISS-ESG. In 2023, the application will be enhanced to include an internal rating;
- the *Prêt Transition Impact* (Impact Transition Loan), intended for creditors in the corporate market, was developed in the information system (IS) and opened for business in December 2022. When taking out an Impact Transition Loan, the company defines non-financial commitments that will be monitored each year. A bonus-malus system then varies the loan rate according to the achievement of the objectives;
- the traceability of sustainable financing granted to customers is improved thanks to the implementation of identification criteria in the information system. This work will continue in 2023;
- work has begun on the implementation of a framework for real estate property. This framework will make it possible to centralize all information relating to customers' real estate property, in particular the energy performance diagnosis (DPE), and also to better assess the exposure of outstanding loans to physical risk.

In addition, in order to optimize the monitoring of SMR projects related to customer knowledge, Euro-Information set up a dedicated governance body in 2022.

Details of the ESG rating application

The NOTESG application was rolled out in June 2022. This application makes it possible to view, for corporate customers, the E-S-G (Environmental, Social and Governance) ratings and controversy ratings assigned by the non-financial rating agency ISS ESG. In parallel, and given the limited number of companies rated by ISS ESG, four types of ESG analysis grids have been constructed (agriculture, CIB, large companies and VSEs/SMEs) to allow for internal customer rating.

These ESG analysis grids, as well as grids for applying sectoral policies, are currently being completed in Excel format in CIC and BECM banks for companies with revenues of more than €100 million. The Non-Financial Data project group is currently working on the computerization of these grids (planned for H2 2023 for the ESG analysis grid for large companies) and their integration into the KYC and credit processes.

This work will make it possible to ensure compliance with the group's SMR commitments.

Prevention measures for the “Internal operation of the group’s entities: the absence of a waste prevention and management system” scenario

Numerous measures are being implemented to address this scenario, and are anchored in the group's Digital Responsibility strategy.

Digital sobriety strategy

At the end of 2019, CIGREF decided to set up a working group called *GT Sobriété Numérique* (Digital Sobriety WG). It considers that “awareness of digital energy and environmental issues is only just starting to become apparent, even though it is increasing and the growing impact of digital services on greenhouse gas emissions is becoming alarming”. Euro-Information took part in the creation of this working group and participates in the discussions. Euro-Information was already carrying out many actions in terms of digital sobriety, without communicating strongly on it.

Many best practices are in place, such as:

- promote the reuse (second life) of equipment (EIS/Circuit Broker);
- where a second life is not possible, ensure an appropriate recycling or destruction process;
- optimize the architecture and layout of datacenter rooms;
- virtualize servers and storage units;
- define archiving and data cleaning rules in line with the GDPR.

In 2022, the *GT Sobriété Numérique* became the *Cercle sobriété numérique* (Digital Sobriety Circle) and Euro-Information continues to be involved in the latter. At the same time, Euro-Information decided in 2021 to implement a responsible digital strategy. This approach was promoted throughout the company through the following priority areas:

- responsible purchasing and life cycle: equipment is a major item in the carbon footprint;
- digital services: the use of IT resources has a significant impact in view of the number of group employees;

- infrastructure: an issue already identified which we must continue to address using the same strategy;
- projects: all new projects must contain a digital sobriety dimension.

Responsible purchasing and life cycle

Responsible purchasing and life cycle working group (WG)

In 2022, the Responsible Purchasing and Life Cycle WG implemented several elements, such as:

- making a reliable indicator that periodically produces statistics on the average replacement age of equipment. It has been posted on the intranet since June 2022, and will be published at the beginning of each year covering the past period;
- the possibility of leasing used equipment on a short-term basis (less than 12 months). A pilot project with CMNE began in November 2022.

In 2023, other representative indicators are planned, such as the monitoring of repaired or reconditioned equipment or the monitoring of waste electrical and electronic equipment (WEEE). Several rapid action levers have been identified, such as integrating the environmental criteria of ADEME's digital charter into EI calls for tender, or limiting over-equipment by eliminating local stocks. Studies are underway to define the modalities.

Equipment circuit

On behalf of Euro-Information, Euro-Information Services (EIS) provides installation and maintenance services for IT equipment and associated logistics services. In 2022, more than 14,765 man-days were dedicated to replacing end-of-life products (printers, workstations, laptops, inverters, PLCs, electronic payment terminals, etc.). Nearly 160,342 defective products were processed by the repair shop, 52,696 uninstalled products were reconditioned and 56,738 were directed to a broker.

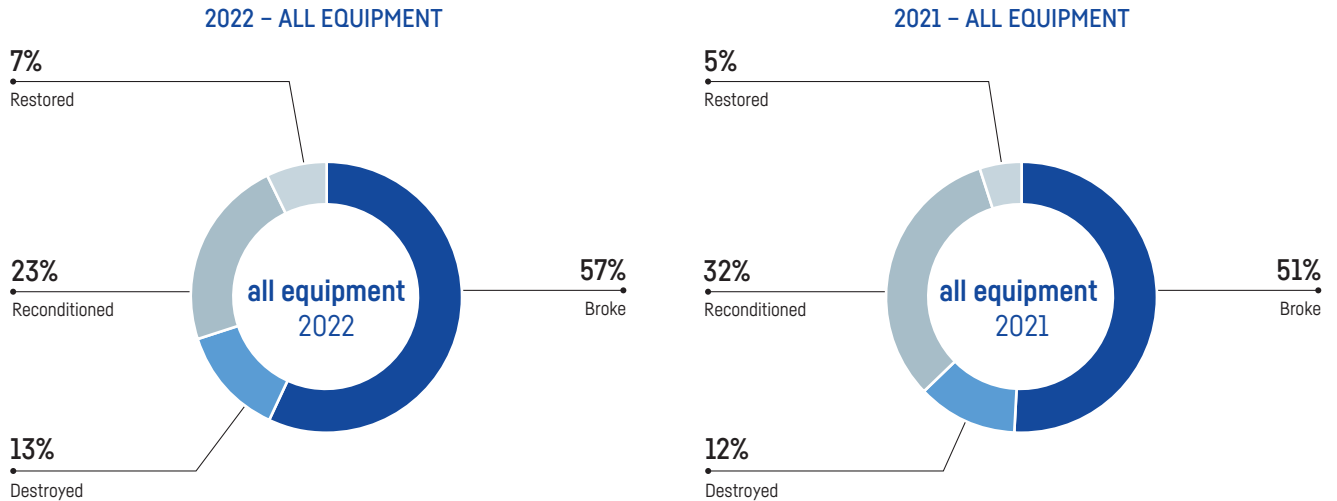
EIS pursued regular technical discussions with the group's call structures (SAM and STU) to have accurate diagnoses (by setting up a Diagnostic Assistance Tool called “DAT”) to avoid unnecessary travel. In addition, in order to optimize the travel of its technicians, EIS continues to monitor an initial resolution indicator (RPC in French), the objective of which is to troubleshoot from the first intervention. This approach saved more than 18,000 trips in 2022 compared to 2011. In addition, the decrease in the percentage of recurrence in the area of ATMs saved 3,721 interventions compared to 2010.

The activity of trading in used computer equipment (broke) continues to evolve and thus makes it possible to avoid destruction of the equipment as far as possible. As a reminder, to monitor this activity and its development, statistics were put in place in 2015 to monitor what happens to the installed base following an intervention. A device that is no longer in place is in one of following four states:

- restored (initial state);
- reconditioned (if repaired to be returned to the customer circuit);
- broke (resold);
- destroyed (if beyond repair or resale).

The goal is to reduce the time in the restored state, to transmit if necessary as soon as possible to the broker to allow reuse and to reduce the volume of destroyed material. This analysis can be done by product family and by customer entity since January 2014. It is therefore possible to compare the last five years and see what will happen after two, three, four or five years. Customer entities may also perform their own analysis. However, this vision is partial and based on the stages of the physical circuit.

The findings are as follows:

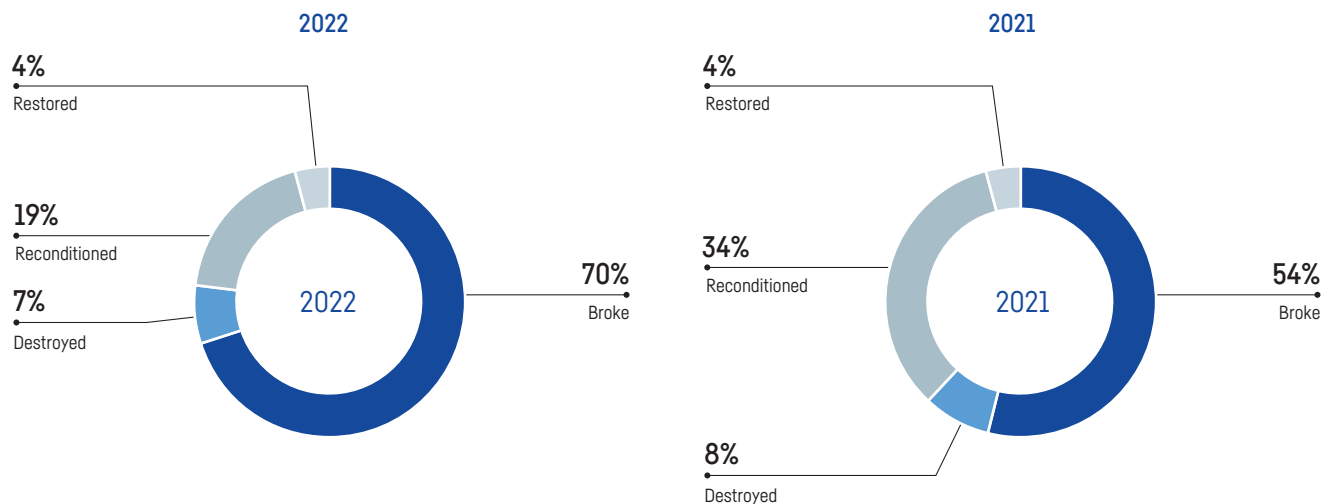


The processing of the fleet has evolved. Between the 2021 fleet and the 2022 fleet, transfer to broker increases with 57% of movements (compared to 51% in 2021). The increase in transfers to the broker is accompanied by a decrease in reconditioning. This is true for all hardware families except for smartphones, which show the opposite trend. The share of reconditioned products decreased by nine percentage points and represents 23% of the equipment removed from the fleet.

This trend is associated with a steady increase in the managed fleet, with 888,639 references in 2021 compared to 929,879 in 2022, but with fewer customer renewals in 2022 (141,299 in 2022 compared to 160,842 in 2021).

The trend for the major hardware families (monitors, workstations and laptops, printers), which represent 45% of 2022 movements, follows this logic. The general trend is accentuated with a shift from 54% to 70% for the broker part and from 34% to 19% for the reconditioning part.

BREAKDOWN OF THE HARDWARE FAMILY: MONITORS, WORKSTATIONS AND LAPTOPS, PRINTERS



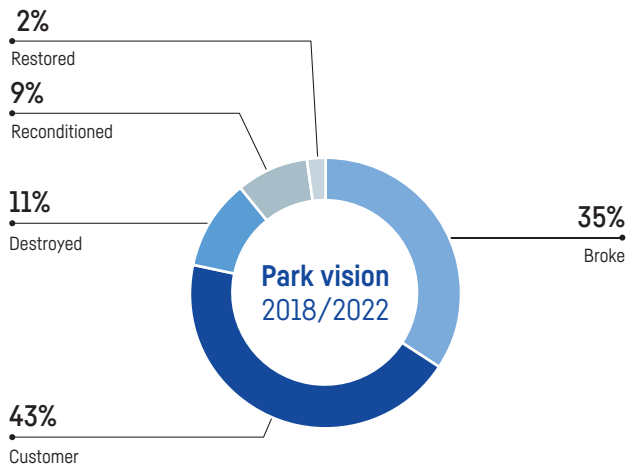
Since 2018, the depth of historical data allows us to understand the future of a fleet in five years and therefore to compare two generations. Out of an installed base of 728,449 references in 2018, the situation in 2022 was the following:

- 57% were renewed at the customer site;
- 35% sold to brokers;
- 11% were destroyed;
- 9% were reconditioned.

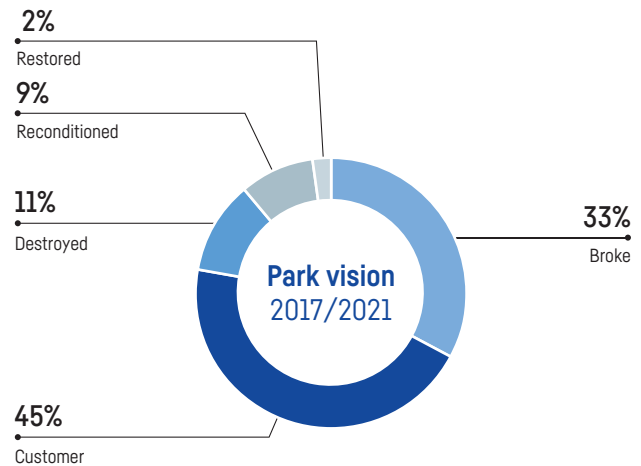
In comparison with the previous historical data (2017-2021), it is noted:

- stable volumes destroyed and reconditioned (11% and 2%);
- a slight variation between the customer base and the broker base (43% and 35% versus 45% and 33%) which can be mainly associated with the pooling of printers (replacement of local printers by multifunction printers), thus a reduction of this type of equipment.

FLEET VISION 2018-2022



FLEET VISION 2017-2021



The major product families always vary in correlation with the life and depreciation of the equipment. For workstations and laptops, major tools of the group's employees, 80% were renewed in the five-year period with 68% to the broker, 6% reconditioned and therefore only 6% destroyed. The average useful life is between five and seven years depending on the type of equipment. Conversely, for the monitor family, only 48% of the fleet is renewed, with 31% going to the broker, 7% for reconditioning and 8% for destruction. The useful life of this family is over ten years. A uniform 2% of products are in the reconditioned state, which corresponds to equipment in the process of assignment to its new category.

In 2020, an additional recycling channel for keyboards and mouse devices was set up. The banks, branches and head offices can now return these items to EIS for recycling. This system relies on the group's existing shuttles and will facilitate the recovery of used equipment. In 2021, this process led to an increase in the proportion of recycled products and made the end-of-life management processes easier for the WEEE of these accessories. WEEE is destroyed in accordance with regulations with the help of an approved partner, which ensures the recycling and revalorization of the products. The monitoring of quantities makes it possible to see the actual change in volumes, which remain in line with the volumes of activities. In 2020, the volume was much lower (183 metric tons) because the overall breakdown and repair activity had significantly slowed down due to the health crisis. In 2021, 208 metric tons of waste were entrusted to Euro-Information's WEEE revalorization network.

Waste volumes in 2022 were 20 metric tons lower than in 2021, as the overall volume of customer renewal has decreased.

	Quantity 2017	Quantity 2018	Quantity 2019	Quantity 2020	Quantity 2021	Quantity 2022
TOTAL WEEE (in kg)	256,096	251,125	244,683	183,107	208,050	188,929

Rationalization of tablets and face-to-face signing

Crédit Mutuel Alliance Fédérale uses tablets that enable customers in banks and branches to sign documents electronically. The tablet was associated with an advisor to allow exchanges between the latter and the customer. A project to rationalize this fleet of electronic signature tablets was initiated in March 2022.

Its objectives include:

- strengthening the group's SMR approach;
- optimizing the use of peripherals associated with the computer workstation.

By the end of April 2023, the rationalization will have reached the 20% target. Nearly 5,000 tablets will not have been renewed in all the networks concerned. This approach is reinforced by the implementation of two solutions:

- the pairing of tablets, which allows a temporary assignment of a tablet to the workstation and therefore facilitates the sharing of tablets within the same branch;
- face-to-face signature through which the employee's PC replaces the physical tablet at the time of the customer's electronic signature.

IP phone management

Several years ago, Euro-Information signed a partnership with CONNEXING for the purchase of fixed IP telephones. This company resells recycled used IP telephones and has a strong eco-responsible approach [B-Corp certified benefit corporation]. Indeed, it builds on the "AFIBERIA" project provided by the NGO Planète Urgence and undertakes to plant one tree per eco-recycled phone bought or per phone restored to its customers. In addition, EIS works with CONNEXING for the repair and reconditioning of IP telephones in order to extend their service life.

CONNEXING has defined three levels of eco-recycled partnership:

- Silver, for 100 trees planted;
- Gold, for 200 trees planted;
- Platinum, for 500 trees planted.

For four years, the group obtained Platinum level (3,854 in 2020, 3,850 in 2019, 3,848 in 2018 and 3,598 in 2017), which represented 36,305 kg of CO₂ saved in 2020. In 2021, the CO₂ subsidy of CONNEXING was only 66 kg. This very sharp decrease in 2021 is linked to the implementation of softphony, putting an end to purchases of IP telephones. In 2022, the partnership with CONNEXING ended, following the complete changeover to softphony and the discontinuation of purchases of IP telephones.

Reduction and processing of non-electronic waste

Euro-Information is gradually coming into compliance and line with the regulations on the disappearance of plastic in accordance with group directives and is improving its treatment of waste:

- recyclable cups in the drinks vending machines;
- napkins made of recycled paper;
- provision of cups and/or glass bottles;
- centralized waste sorting terminals with recycling circuit.

The implementation of these measures continued in 2022. However, the continued pandemic has weakened these changes with the need to individualize certain services such as the provision of individual meal trays in collective catering. Accordingly, several initiatives were set up at Euro-Information's Strasbourg, Paris and Nantes sites: special bins have been deployed to collect and recycle employees' used masks.

In 2021, Euro P3C, one of Euro-Information's subsidiaries, introduced bank cards made of 85.5% recycled PVC for the Crédit Mutuel network. In 2022, 85.5% and 100% recycled PVC cards were rolled out in the Crédit Mutuel and CIC networks. The ocean recovered PET plastic card project is still underway. The carbon footprint of one kilogram of PVC is estimated at 4.1 kg of CO₂ equivalent compared to 2.1 kg of CO₂ for recycled PVC. At the same time, a used card collection circuit was set up in 2021 to recycle the PVC from these cards upon destruction.

Digital Services

Digital Services WG

The objective of the Digital Services WG is twofold:

- raise awareness among users of the information system of the challenges of digital sobriety and the environmental impact of their use of IT;
- provide users with information to improve their use of digital technology while reducing their environmental impact.

Several studies are underway on a number of topics, such as:

- user awareness and empowerment;
- the electricity consumption of the equipment installed;
- users' personal office data and messaging;
- printing.

Different work will be launched depending on the results of the studies.

Infrastructure

Infrastructure WG

The Infrastructure WG is working on several topics:

- enhanced monitoring of obsolescence was implemented in 2022, using indicators stored in the decision-making information system, in order to identify/group obsolete infrastructures. This made it possible to dismantle 16 blade chassis and more than a hundred older servers;
- Euro-Information has contracted a global offer for the treatment of end-of-life datacenter equipment.

This includes:

- a service for the destruction and sustainable recycling of equipment that complies with WEEE standards (residual of 0.03% in waste disposal centers);
- the possibility of revalorizing certain equipment that is still viable;
- the production of a report on the Euro-Information contribution on the circular economy;
- in line with the work of the Purchasing and Life Cycle WG, it is planned in 2023 to integrate various CSR criteria into the referencing of suppliers, such as their CSR policy, their annual report, and their maturity with regard to environmental aspects according to the ECMA370 standard;
- storage obesity will be addressed by working on several areas: data duplication, reduction of certain logs and moving cold data to greener storage units.

Evolution of datacenters using green best practices

The development of the group requires constant IT developments and therefore a processing and storage capacity that is constantly evolving. The extension of the Euro-Information site in Lille with the construction of a new machine room was delivered in September 2021. The main equipment of this new part of the Datacenter, and in particular those of the containment (disappearance of hot spots by better separating the bays and creating cold aisles) and free chilling (adaptation of the cooling method depending on the outside temperature) is currently being finalized. For the existing rooms, work has been done to optimize the insulation.

Euro-Information has launched the construction of two datacenters in the Dijon area, in St Apollinaire and Fauverney, which will replace the one in Strasbourg when they are put into service. The structural work is underway, the target for the completion of the buildings is early 2024.

These datacenters will comply with numerous standards/labels and regulations aimed at reducing environmental impact in terms of both energy and biodiversity preservation, as well as safety certifications. The main targets are compliance with the European Code of Conduct for datacenters, HQE sustainable building certification (excellent level), biodiversity certification (excellent level) and the integration of waste heat recovery

The Go2Dijon project, which prepares the transfer of the Strasbourg datacenter to these new premises, has been launched.

All these projects will use the techniques of free chilling and confinement. For the Lille site, this represents savings of 3,800,000 kWh for a load of 1000 W/m². The implementation of these changes should make it possible to obtain a Power Usage Effectiveness (PUE) of less than 1.6 for these new rooms in northern France. Where possible, these methods will be applied to other existing datacenters.

Installation IBM's new Z technologies

Since 2021, Euro-Information has deployed IBM machines using Z15 technology at the Strasbourg and Lille sites. These machines provide better security, resilience and agility through:

- systematic encryption: data protection and confidentiality guarantee in hybrid multi-Clouds. Data access control *via* rules-based controls, with the option to revoke access rights beyond the Z15 part;
- cloud native development: simplifying the task of developers to increase their flexibility. Easier integration of IBM Z15 into a hybrid cloud using agile deployment. Simplified application modernization;
- instant resumption: IBM Z15 offers optimal levels of stability and availability, ensuring continuous execution of vital business applications. The instant resumption function of IBM Z15 should halve the time necessary to return to pre-shutdown SLA commitments.

In particular, these developments simplify projects based on technology of the blockchain type or artificial intelligence.

IBM also communicates on the control of the energy consumption of its Z range which is integrated into its strategic objectives. Each new generation must have better energy efficiency than the previous one. Tests by certain bodies show savings of 14% between Z14 and Z15 (savings are 51% between Z13 and Z15).

IBM announced in late 2021 a new line of machines, the Z16. Euro-Information is one of the first ten customers worldwide to deploy this machine. Five mainframes currently in service will be replaced by Z16s by the end of Q1 2023:

- one mainframe production facility in Lille;
- the two coupling facilities in Strasbourg;
- the two coupling facilities in Lille.

In addition to the many security, resiliency and agility enhancements of the Z15, the Z16 will provide:

- 7nm etched processors, bringing 17.6% power gains over 14nm for the same or even lower power consumption;
- the integration of AI accelerators directly into the processors, allowing specific accelerators to be offloaded or even eliminated, and to integrate processing capabilities for the banking and financial world, such as anti-fraud, as close to the Z as possible.

ZEC12, Z13 AND Z15 ENERGY CONSUMPTION OVER FIVES YEARS

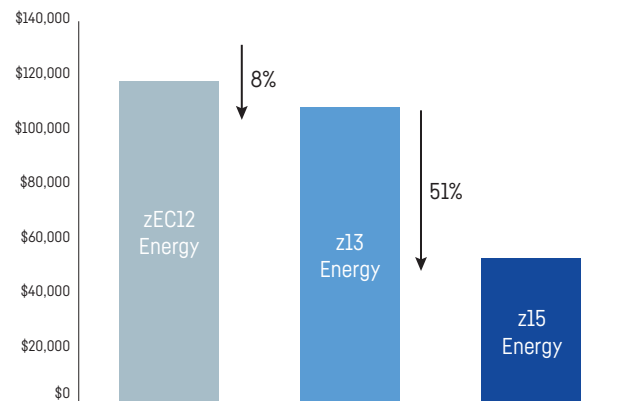


Figure 4: Total energy costs over five years for zEC12, z13 and z15.



Projects

Projects WG

The Projects WG has begun to identify indicators providing information on the footprint associated with Euro-Information projects. Among the work in progress, the following are being studied:

- the relevance of strengthening technical performance analyzes (metrology, technical debt) through an eco-index;
- the ability to aggregate all performance measures for an application.

The Projects WG is also monitoring the experimentation, on the Euro-Information website, of a more environmentally-friendly eco-designed version. The first objective is technical and allows to validate the creation of an eco-designed website without dual content maintenance. The graphic charter and the images of the content must be duplicated but may be partly automated in the graphic design tools according to the choices made – for example by applying a filter on the initial image. The objective is to divide the weight of the page by three and save 20% in CO₂ emissions.

The site has been online since the end of September. The monitoring will make it possible to draw lessons on the value of the approach. Showcasing this option on the home screen of the regular site in November helped generate increased traffic as this variant became more visible. At the end of the year, this represented around 3% of traffic. Eco-mode users go as far as the key screens (ApplyCV or Addcoverletter) and are therefore not just curious.

Energy Sobriety

Since the beginning of the SMR approach, the group has taken into account the energy efficiency dimension in its actions in order to limit its impact and coordinates this through an ISO 50001 certification. The energy crisis of 2022 and the start of the implementation of the tertiary decree made it necessary to add other priority actions.

Energy optimization in the real estate and motor fleet approach

Euro-Information has a role in the group's energy saving policy. Euro-Information is part of the ISO 50001 certification scope obtained at the end of 2020, and renewed in October 2022 under the leadership of CCS. This project, launched in 2019, targets banks and branches, head offices and datacenters. Euro-Information is therefore concerned by the last two scopes.

The scope of Crédit Mutuel Alliance Fédérale's EMS^[1] covers all of the real estate portfolio, *i.e.* 1.85 million m² spread over more than 3,800 buildings with more than 5,000 meters, as well as the entire motor fleet of nearly 3,300 vehicles. At Euro-Information level, this certification targets datacenters, buildings occupied by Euro-Information staff, subsidiaries as well as the motor fleet – company and service vehicles – and all IT equipment.

This certification will serve as a basis for the implementation of the Tertiary decree targeting a gradual reduction in energy consumption of buildings by 2050. For example, this certification made it possible to capitalize on the one-degree increase in the temperature at Osny, representing an estimated saving of 196 gigawatts per year. Similarly, it will have made it possible to formalize the temperature instructions which apply for the technical premises of the group's agencies.

The last renewal audit, which took place in mid-October 2022, was concluded without any non-compliance. Good progress in the maturity of the system over the three-year cycle was reported.

For data centers a very strong improvement in the counting, calculation and analysis of indicators, a better involvement of maintainers and the implementation of the digital sobriety approach have been reported. Two IT indicators, in addition to the PUE, were set up in early 2022 to measure the energy efficiency of the Lille and Osny data centers:

- in Lille, a ratio is established between the number of transactions per IBM Z machine and the site's energy consumption;
- in Osny, the ratio is established between the datacenter's storage capacity and its energy consumption.

In both cases, the indicators show an improvement in the energy efficiency of transactions and storage. For example, the monthly IT energy consumption of the Lille site in January 2019 was 564,000 kWh for 3.7 billion transactions. In December 2021, the site's consumption was 650,000 kWh for 5.2 billion transactions. The improvement in energy efficiency is 18%, due to the introduction of new machines and the improvement of existing machines.

A new tool, ENERGY, will be made available to users by the end of the first half of 2023. This service will be an operational management tool for decision-making, which will be used to monitor, investigate, trace and simulate in order to improve the energy performance of buildings. An equivalent tool is being studied to optimize the energy performance of the vehicle fleet.

2022 building energy sobriety plan

As part of the group's energy sobriety plan, Euro-Information has followed the recommendations put in place:

- reduction of unnecessary lighting with parking lot lighting timers for example;
- temperature reduction in buildings to 19°C;
- removal of electric lights for Christmas decorations.

Hardware shutdown

For several years Euro-Information has been deploying a solution for automatically shutting down computers at night in local banks and branches. A new version was rolled out in 2018 to be more precise in the shutdown schedule. Indeed, the tool is connected with the local bank/branch office repository which contains the actual attendance times. This tool works every day and more than 45,000 computers are involved. At the same time, a head office version was set up for almost the entire scope at the end of 2019, making it possible to target nearly 45,000 workstations.

Since the end of 2018, this version has been accompanied by the construction of a report for better understanding the impact of this shutdown and for measuring developments in consumption according to the actions carried out. The measures show that the maximum saving possible is about 60% of the time for the local bank/branch office workstations and about 45% for the head office workstations. The actual gain ranges between 30% and 40%.

The introduction of remote working has led to a new paradigm on several parameters:

- electricity consumption during the remote working period is the group's initiative, but the non-consumption is in the consumption at the employees' homes. Actual consumption on the group's sites is therefore zero during such days;
- remote automatic shut-down and restart is more complex to perform and monitor;
- the consumption-focused approach is very different because employees who do not have a permanent place at home tend to start/stop their workstations manually, which is beneficial but, as indicated previously, more difficult to monitor.

The precise impact of these parameters can only be measured by comparing them with the HR data that trace the periods of remote working, as technical monitoring does not allow this to be done. 2022 saw the extension of this system to all press workstations.

The estimated cumulative gain for the group in 2022 was €271,353 in electricity (head offices and local banks/branches), corresponding to approximately 439 metric tons of CO₂ emissions not produced.

New changes are being considered, in particular the forced standby of workstations to which users have remained connected (locked workstations). It should be rolled out in 2023. In the same dynamic of reducing energy consumption, 80 automats (bank machines, kiosks and other coin roll dispensers) in the Verlinghem test rooms are now switched off electronically by default. They can be reserved by developers according to their needs, who must turn them on and off according to their needs. As the operation dates from October 21, 2022, it will be interesting in 2023 to measure changes in energy consumption over a full year.

Change in the motor scope

As for all group companies, the motor fleet in the Euro-Information scope is evolving towards a fleet of electric or hybrid vehicles. At the same time, electric charging stations are being rolled out on the sites. These terminals are accessible to both the fleet and employees' vehicles.

[1] Energy management system.

Eco-driving at EIS

Since 2012, EIS has implemented a specific mechanism to promote eco-driving. This process continued in 2022 and the following actions were to be reported:

- eco-driving training: seven sessions in 2022 with 36 participants;
- eco-driving reminders on driver vigilance: attention and fatigue;
- fuel consumption monitoring.

Setting up videoconferencing facilities to avoid travel

The unified communication deployed for several years has made it possible, through videoconferencing, to meet multiple expectations: internal meetings between geographically distant sites or different countries, remote training, proposals for meetings with customers/members.

This solution makes it possible to meet the following challenges:

- propose an additional channel for communication with customers;
- adapt ourselves to new communication habits, with the image of a modern bank 2.0;
- keep contact with customers who have less availability;
- regularly meet customers who are not local or who have reduced mobility;
- assist customers in their procedures on the online banking sites;
- facilitate tripartite meetings: customer-advisor-business expert (real estate, flows, portfolio, etc.) remotely to increase availability and reduce travel (agility, costs, risks);
- reduce the carbon impact by reducing physical travel.

Euro-Information is continuing to roll out new services to simplify access to videoconferences by for example:

- installing new equipment in the meeting rooms at local banks and branches to facilitate weekly staff meetings using conference tools;
- equipping a number of local banks and branches (Polycom Trio) allowing an easier communication with a large number of people in the same room, even with geographically distant offices.

The implementation of remote working has been facilitated thanks to the deployment of softphony, which allows the network to remain reachable and to reach their customers *via* a fixed phone number wherever they operate. The deployment of this tool was correlated with the equipment in headsets and/or speakerphones to allow this mobility. As a result, all networks are now equipped with these tools.

For important meetings such as Crédit Mutuel's Shareholders' Meetings or staff meetings, a streaming solution has been set up by Euro-Information to broadcast video in real time. Face-to-face training, which was replaced in June 2020 by distance learning, was made possible thanks to unified communication tools (videoconferences). Since the lifting of health restrictions (May/June 2022), this type of training is now seen as a standard modality, used among other possibilities. The communication tools made available are part of the daily life of all users thanks to their essential functions.

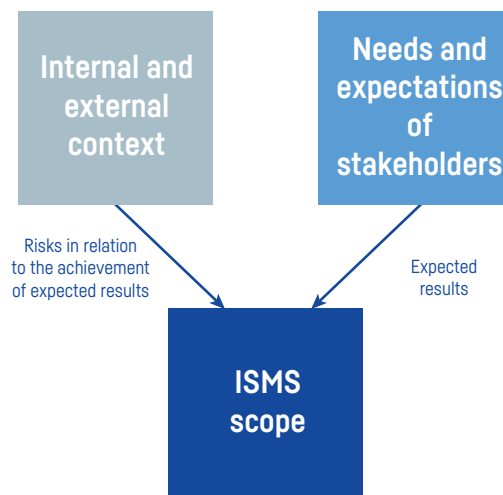
Prevention measure for the “Breakdown in IT security” scenario

Several actions help to address this scenario, both in terms of security in the broad sense and the availability or security of data.

Security of the IS

Considering the processing of sensitive banking data and the numerous offers of services proposed by Euro-Information, very special attention is paid to all aspects of the IT system, which evolves each year to adapt to new risks and strengthen defenses. All means are implemented to secure the community system. Thus, based on the ISO 27001:2013 standard, an Information Security Management System (ISMS) is deployed on all production sites described above. This ISO 27001:2013 standard constitutes a recognized certification reference system. It provides a framework for implementing, maintaining and improving an Information Security Management System over time. The ISMS takes into account:

- the external context;
- the internal context;
- needs and expectations of stakeholders.



The ISMS challenges are:

- to bring tangible improvements to the security of the Information System by:
 - putting in place an operational governance of security,
 - adopting a risk approach to manage security,
 - defining security rules,
 - ensuring the application of these rules;
- to continuously improve the security of the Information System by:
 - measuring the security levels achieved,
 - performing a security watch,
 - taking into account new threats and developments in the IS,
 - reducing the impact and frequency of security incidents.

This ISMS enables to:

- increase trust among stakeholders (shareholders, supervisory authorities, banks, federations, partners, suppliers, personnel of Euro-Information);
- have a competitive advantage when responding to the bidding process;
- systematically treat IT security risks in the areas concerned;
- control security by means of indicators and not by measuring effort (cost, time, number of people, etc.).

In accordance with the commitments made as part of the 2014 medium-term plan, Euro-Information successfully passed the ISO/IEC 27001:2013 certification audit in 2017. This certification was confirmed during the 2018 and 2019 surveillance audits and renewed in 2020 as part of a first combined ISO 9001 (quality management system) – ISO 27001 (information security management system) audit. This certification (No. 2017/77568.10) thus validates the Information Security Management System implemented on the IT production centers.

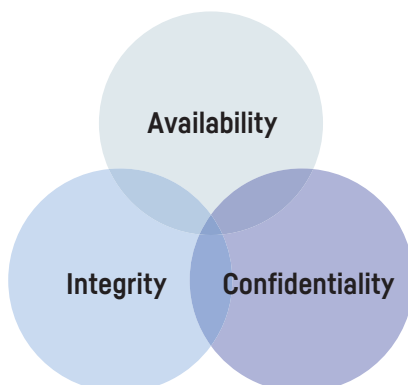
The validity of this certificate can be checked using the following QR code:



2020 was the beginning of a new three-year cycle which confirmed the ISMS-QMS synergy. The combination of these two management systems, by integrating security measures into the mapping of business processes, enables to ensure that they are included at the early stages of products and services supply. This methodology will make it possible to extend the ISMS to development activities, by adapting the processes, the assessment and treatment of risks, the control plan, training and awareness-raising actions in line with the new requirements. The renewal is based on the revised version of the standard, version 27001:2017. The extension of the ISMS scope to development activities has been included in the strategic plan *ensemble#nouveau monde, plus vite, plus loin!* (together#today's world, faster, further!) with the objective of having the ISO 27001 management system applied in 2022 and certified in 2023 with the new certification cycle.

The basic principles remain the following:

- availability: provide a reliable system with permanent accessibility;
- confidentiality: secure access, processing and data;
- integrity: guarantee reliability of data.



In addition to these basic principles:

- traceability: knowing from where the information is coming, where it has been and where it is going;
- identification/authentication: the security of information and access to it also involves the identification of those who access it, and their authentication (proving that a person is who they claim to be).

The detection and response to security incidents is carried out by the security control tower whose missions can be summed up in three words:

- anticipation;
- detection;
- response.

To cover these missions, the security control tower consists of:

- a single point of contact for Security (Security SPOC);
- a Security Operations Center (SOC), a true "radar" of IT security in charge of all aspects related to the detection of non-compliance;



- the CERT Crédit Mutuel Euro-Information to manage the resolution of security incidents, monitor and inform about threats.



The CERT CM EI is also responsible for cyber threat intelligence. As such, it is the preferred point of contact for external entities wishing to warn the group of a threat to itself or its customers.

Security control tower publishes a *Sécurité* newsletter every week. It presents the past week's news on topics related to security generally and/or to news about bank security. The newsletter is available every Wednesday (excluding operational constraints) in French, English, Spanish and German.

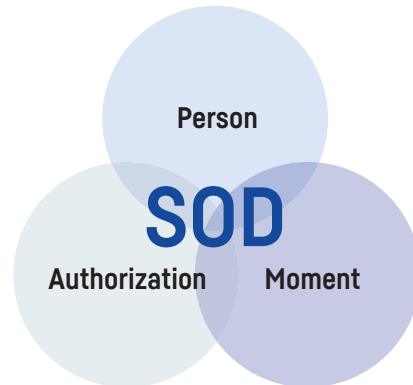


Human Resources and organization security is based primarily on:



- reinforced and clear security governance with a specialized team around the Information System Security Network and a network of security correspondents in the group's entities and business centers;
- permanent security awareness of the entire Euro-Information staff in e-learning and/or face-to-face training;
- a user charter associated with the internal rules. This charter illustrates the professional, respectful and responsible behavior that every employee of Euro-Information must display when using the resources of the Information System;
- an annual training plan guaranteeing the maintenance of Euro-Information's staff's skills in security matters;
- management of user access rights by powerful tools with regular and formal reviews.

The security works on the principles of the SOD (Segregation of Duties) concept that meet the requirements of the legal standards and obligations (SOX, Basel II, ISO 27000, COBIT, ITIL, ISACA, CRBF 97-02, etc.) and based on the adequacy of three elements:



Since April 2020, Euro-Information has set up a Red Team. This team is tasked with simulating attacks to assess the overall security of the company by testing its various means of protection, whether technical, physical or human. Red Team Campaigns, in addition to assessing the overall level of security of an information system, also enable to assess and improve the actions and responses of the Blue Team in the face of any intrusion detection. This team, in addition to assessing security and compliance with company requirements, therefore works closely with the Blue Team to improve and test the means of detecting and responding to security incidents.

In September 2022, Euro-Information set up a security supervision team known as Information Security Control. The objective of this team is to streamline, automate and extend the scope of normative (ISO 27001, PCI-DSS, SWIFT, etc.) or regulatory compliance controls, while ensuring consistency in the production and supervision of controls.

The security system as a whole is such that Monetico Paiement, the commercial payment solution, has been certified every year since November 2007, PCI/DSS level 1 (the highest security level). This certification guarantees customers the quality of performance of this solution on our technological infrastructure to store, process and transmit payment card information.

Monetico Paiement



The group has decided to increase the scope of certification. This ambitious and innovative project resulted in a first success on April 30, 2019 with the certification of batch 1.0 (acquisition scope), the result of a five-year project involving the work of more than 70 Euro-Information teams and aimed at making this new environment available to nearly 300 users. The installation of this new environment of nearly 500 machines (including two mainframe partitions) and 170 applications makes it the largest PCI/DSS certified scope in France and one of the largest in Europe.

This first success was followed, on April 30, 2020, by the achievement of a new milestone with the renewal of the certification of batch 1.0, as well as the certification of the extension to batch 1.1 (still within acquisition scope) and batch 1.2 in 2021. The environment has been extended to more than 450 servers, 1,100 technical components and 200 applications. This dedicated environment is only accessible with very restrictive means of access. The applications and systems are subject to draconian rules on the review of code, review of machine configurations, review of accesses, etc.

The next stages will be:

- add the remaining acquisition applications to this environment (last batch 1.4 for 2023). Self-Service Banking (LSB) will probably not join the PCI platform at this time, but some interactions between LSB and acquisition may switch to PCI;
- continue to standardize the processes and working methods of the PCI/DSS Service Monetico Paiement scope with the PCI/DSS Acquiring and Central Acceptance scope (acquisition);
- keep the environments compliant over time in order to renew the PCI/DSS certifications each year.

To reach these objectives, Euro-Information has set up an internal team, Information Security Control, whose mission is to ensure, by challenging the teams throughout the year, that everything remains compliant for the annual renewal of the certifications.

The PCI 3DS certification for 3D/Secure processing, which is performed by Euro-Information on behalf of the group's banks and customers, acquired in April 2021, is maintained. Another audit, PCI PIN, is also under preparation by the electronic payment teams. It could take place in the second quarter of 2023. It will probably be followed by PCI P2PE certification.



PROJECT INITIATED



PROJECT UNDER REVIEW

These new audits generate additional activity for the PCI Governance team (ZS30) with the organization of audits and support for the teams, but also for the information security control team (ZS50) for monitoring the compliance of these new scopes.

The actions undertaken in the field of information security are led and coordinated by the information systems security manager:

- raising awareness on security among the group's IT staff and users of information systems operated by Euro-Information (e-learning, best practice sheets, etc.);
- security governance;
- a centralized operational security control tower;
- specialized and specific teams for the security of servers, data transport networks, and for the disaster recovery plan;
- existence of a Red Team whose main missions are to identify potential security breaches, to test the means of detection and response to attacks, and to bring the vision of ethical hackers to the development teams;
- conducting penetration tests and source code reviews by external companies based on an annual plan;
- creation of an information security control team responsible for ensuring normative and regulatory compliance;
- PCI/DSS certification of our merchant payment platform (Monetico Paiement) and our centralized acquisition and acceptance platform;
- PCI 3DS certification;
- ISO 27001 certification;
- periodic reviews, 43 overall, mainly based on Annex A of ISO 27001, the description and the results of which are recorded in an internal control portal.

In 2022, Euro-Information continued its actions on the following points:

- supplier analyzes;
- management of obsolescence;
- the review of the risk methodology, with a transition to the EBIOS RM method, and a reconciliation with the operating risk functions;
- improvements to existing systems;
- the launch of new projects
 - the performance of intrusive tests, whose statistics to date are:
 - 19 infrastructure tests including the DeMilitarized Zone (DMZ): zone containing servers accessible from the Internet,
 - 27 mobile applications,
 - 168 web applications.

- the Red Team conducted:
 - 8 infrastructure tests,
 - 2 mobile applications,
 - 7 web applications,
 - 17 vulnerability analyzes,
 - 4 R&D topics and
 - 2 awareness campaigns;
- in addition, the SOC:
 - scanned 120 websites,
 - scanned 155,857 devices,
 - ensured the monitoring of technical vulnerabilities.

Fake email phishing campaigns are also conducted, resulting in a trend improvement on the percentage of clicks to fake phishing emails, and an increase in reports, following the introduction of a report button in Outlook.

Other actions carried out in 2022 included:

- participation in the crisis exercise organized on September 20 and 21, 2022 by the Banque de France to prepare for a large-scale cyberattack;
- the launch of a Digital Operational Resilience Act (DORA) compliance project. As part of its digital finance strategy, the European Commission presented a draft regulation aimed at strengthening digital operational resilience in the financial sector. DORA targets a wide range of players within the financial sector, *i.e.* credit institutions, investment firms, payment institutions, electronic money institutions, digital asset service providers, asset management companies, insurance and reinsurance companies, etc.

The level of threat observed in 2022 remains high, *via* three main factors:

- continued distribution of malicious emails targeting employees, in particular *via* the activity of the QBot attacker group and much more marginally EMOTET;
- a resumption of denial of service attempts on infrastructures *via* Distributed Denial Of Service attacks [DDOS]. However, these attempts cannot be easily attributed to specific actors;
- the geopolitical situation between Russia and Ukraine remains a major concern for cyber activities, requiring the implementation of a reinforced watch. However, over the period, no specific targeting of our activities was observed.

Despite this high level of threat, no significant incidents were observed.

TIER-IV certification of new machine rooms

The Lille datacenter expansion project was aimed at implementing Tier-IV (Uptime Institute) security, the highest level of security for a datacenter with an availability rate of 99.995%, corresponding to an average annual downtime of 0.4 hours.

Three certifications should be noted:

- Tier-IV Design in 2019 for the new rooms in Lille, and in January 2022 for Eastern France;

- Tier-IV Facility in August 2021, the first datacenter in France to obtain this certification. It consists of an audit of the facilities by expert Uptime consultants and a real-life simulation of a hundred or so test cases (breakdowns, bad handling, various incidents, etc.) for which the datacenter must remain operational;
- a study for Tier-IV Operation Sustainability (TCOS) certification was launched in 2020. This is the 3rd and final possible certification for a datacenter. A Steering Committee has been set up and the project appraisal is underway. The proposals of the maintainers, who are stakeholders in this project and for which they must ensure the operational implementation, are being studied jointly by CCS and Euro-Information. The first offers received are being adjusted by these companies following a number of clarifications made by Uptime regarding its recommendations.

Project for securing personal data

Since 2018, Euro-Information has been involved in bringing member entities into compliance with the Community information system under the new European GDPR regulation. The regulation aims to better protect the Personal Data (PD) of customers, prospects and employees and increases their control over their own data. This has created new obligations and requirements on customer information with respect to the collection, registration and storage of personal data.

The response to the requirements of the regulation was achieved through the GDPR program, launched in 2018. The program consisted of 15 projects covering the entire scope. On the organizational aspect, Data Protection Officers (DPOs) and Data Protection Correspondents (CPDs) were appointed in 2018 for each of the banks, federations and subsidiaries. GDPR correspondents in Euro-Information's development sectors have also been appointed.

For processing management, a compliance framework has been implemented. The definition of data retention periods resulted in the deletion of a significant amount of data, in particular third-party customers and prospects. The stored data was processed for the majority of business entities for which the deletion and monthly archiving process is carried out on a regular basis. The clean-up concerns production data, data from the decision-making system, for third parties and associated data, including documents stored in the Electronic Document Management (EDM or GED in French) system. Accordingly, several million customer and prospect references have been deleted from the systems since 2019.

The proposed improvement in the control of the localization of personal data is in progress *via* the deployment of a data dictionary. An analysis of the office files stored on the servers is being tested, making it possible to detect the presence of personal data with a view to their deletion at the end of their retention period. Lastly, consent management has been implemented on the nearly 400 websites hosted by Euro-Information.

Regarding the rights of individuals, requests from customers and prospects are processed according to a defined procedure, with statistical monitoring of the number of requests. An e-learning training course was delivered to all Euro-Information employees and to the group's School for directors of local banks and branches to better inform them of this new regulation and encourage them to be more responsible. This training was extended to all employees of the Crédit Mutuel and CIC networks. For communications, a monthly newsletter on the GDPR has been published since 2020 to continue awareness-raising/training.

Prevention measure of the scenario “At the level of the internal functioning of the group’s entities: the absence of a policy to reduce the consumption of resources (water and paper linked to a tertiary activity)”

Several measures are implemented to deal with this scenario.

Follow-up on the group’s paper policy

WWF regularly establishes a barometer to assess the paper policy of large companies established in France, in order to encourage them to improve their environmental performance. The group examined the PAP50 Banking and Insurance scope. As part of this study, several data were analyzed:

- paper consumption;
- the environmental responsibility of paper;
- sorting and selective collection of used paper;
- commitments to improve the policy.

The last study was in 2014. Crédit Mutuel, CIC and Cofidis were considered separately and were therefore poorly ranked in the final report. Accordingly, Crédit Mutuel Alliance Fédérale voluntarily participated in the 2020 survey in order to ascertain the actual situation on these issues. In 2020, Crédit Mutuel Alliance Fédérale and its subsidiaries occupied the fourth place in the final ranking and first bank of the ranking. The score out of 100 increased from 22 to 79. The year 2021 has allowed, on the basis of the recommendations made by *Riposte verte*, to discuss with the various actors concerned to continue to improve the 2020 score. The actions are being implemented gradually and should make it possible to at least maintain this score. The goal is to reach or exceed the same score for the next survey.

Reduction of paper consumption

The use of electronic signatures continued to grow in 2022 with 25.8 million signatures compared to 20 million in 2021. This corresponds to approximately 20.5 million contracts compared to 17 million in 2021, including contracts with multi-signatories. The increase is less than the previous year, as the majority of applications now offer electronic signatures. However, in 2023 there will be an additional expansion of the scope of the electronic signature, thanks to its integration into the Online Banking (BAD), Card Management (ICARS) and Employee Savings (EPSA) applications. Other applications that already offer electronic signatures will increase their scope, such as Instruction Dossier Crédit Entreprise (IDCE), which will enable the electronic signature of business loans with guarantees.

The stock of documents in EDM continues to increase, rising from 6.3 billion documents at the end of 2021 to 7.5 billion at the end of 2022, which corresponds to a growth of 16% in 2022 compared to 21% in 2021. ETVS, a digitization subsidiary, processed 338 million documents in 2022 compared to 321 million in 2021. A project to compress images before their integration into the EDM system was initiated by Cofidis in 2021. All of the group’s entities have validated the activation of compression by default for documents larger than 250kb before they are put into EDM, which allows for significant storage savings without altering the quality of the images and is totally in line with a CSR approach.

For the volumes produced in the workshops, nearly 561 million pages were printed during the year, a decrease of 3.02% compared to 2021. Just over 174.3 million pieces of mail were produced, a decrease of 3.54%. In order to rationalize resources, the Carquefou publishing center closed at the end of 2021. The activity of this center was completely transferred at the end of 2021 to the Lille and Strasbourg centers. At the end of 2022, the level of paper documents for internal use within the group continued to decline, from 0.29% to 0.25% of total production. This is accompanied by a decrease of 13.66% in the volume of paper publishing.

Unbleached recycled paper

The willingness to use unbleached recycled paper is part of Crédit Mutuel Alliance Fédérale’s CSR policy. A new type of paper integrating the technical and functional constraints and in line with our cost approach was validated in the first quarter of 2018 and added to the catalog.

The decision on whether or not to use it is currently left for the companies to assess. This represents 109,075 reams corresponding to approximately 272 metric tons of paper in 2022 compared to 90 metric tons in 2021. This increase in volume corresponds to a significant transfer to this new type of paper, the proportion of which increased to 11.2% in 2022 compared to 3.5% in 2021.

Printing on MFPs (multi-function printers for printing, photocopying, scanning, fax, etc.) through virtual mailboxes

A project is underway to streamline printing resources and replace local printers in each office with shared network printers. This solution is operational for all types of printing (office, intranet, 3270, etc.).

The shared use of MFP copiers and printers is possible thanks to the Watchdoc solution which makes it possible to block the output of documents from the printer as long as the user has not authenticated himself in front of the machine. The project has a threefold objective: environmental by reducing paper consumption, business by encouraging the use of electronic signatures and financial by optimizing printing costs.

Since the beginning of 2021, the centralization and security of printing has been part of the group’s SMR projects and the cost reduction policy. In the industrialization phase since January 2022, the deployment of secure printing concerns the entire Crédit Mutuel Alliance Fédérale network and will eventually target over 4,300 branches. This project, which aims in particular to eliminate individual printers from workstations – excluding reception and ETS – and to promote electronic signatures, will ultimately lead to a significant reduction in paper consumption.

At the end of 2022, the project had been rolled out to 21% of the total number of branches concerned (938 out of 4,344 branches). 2,351 additional branches are in the pipeline for 2023. The remaining branches will be equipped in 2024.

Secure centralized printing is also part of the implementation of new organizations, both in the network (new types of branches, renovation work, Crédit Mutuel Océan and Crédit Mutuel Nord Europe equipment rationalization projects) and in the head offices (optimization of the printer fleet, move to new premises, etc.). Euro-Information sites also implemented in 2021, the solution to remove local printers in favor of MFPs on the floors. A project will therefore have to be carried out to deploy this solution in all existing head offices.

This pooling project is also starting to show convincing results in terms of printing volume. The number of prints between the months of October and November 2021 to those of 2022 decreased from approximately 62 million to 46 million at the group level, which represents a decrease of 25%.

Local bank and service bulk management

During the first stage of the project, delivered in February 2021, 21% of the 4.4 million documents identified in 2019/2020 were no longer printed or were digitized, *i.e.* approximately 1.1 million documents.

The second phase of the project, which deals with the 20% of the documents, which represent 80% of the shipments, is still underway. The production releases made in 2022 or planned for 2023 will represent an additional reduction in the volume of 1.2 million documents over 12 months.

Implementation of the AGEC law

The AGEC law, known as the Anti-Waste for a Circular Economy law, has a direct impact on Crédit Mutuel Alliance Fédérale, which will eventually be affected by several EPR channels^[1]:

- graphic paper sector with a deadline of March 9, 2023;
- electrical and electronic equipment sector;
- textile sector;
- toy sector;
- vehicle sector;
- building sectors.

Crédit Mutuel Alliance Fédérale has opted for a collective system for the graphic paper sector, which is why it is a member of the eco-organization CITEO and pays it an eco-contribution for waste management. In 2022 and early 2023, the priority was to apply the AGEC law to the graphic paper sector through two actions:

- obtaining a unique identifier to be affixed to the general conditions of sale or any other contractual document;
- affixing the TRIMAN logo on all documents intended for customers/members if it was not present and the associated INFO-TRI instructions.

The 2nd action gave rise to requests for changes at the local and central desktop publishing level with the affixing of the INFO-TRI caption below the TRIMAN logo, which has already been present for several years, and at the level of all the professions publishing documents to affix the logo and caption (contracts, checkbooks, miscellaneous documents). The other document producers such as the sales department or CCS Publications for the contract library were all informed to update the various communication media available to customers/members. Crédit Mutuel Alliance Fédérale's legal experts will shortly be sending out a communication to all group entities. A project group managed by the risk department and legal experts will start in February 2023 and will continue until the actions to be taken are completed.

Relations with the La Poste group

La Poste is an important partner of Crédit Mutuel Alliance Fédérale and mainly of Euro-Information. As a company heavily involved in the ecological transition, La Poste, in conjunction with the mail delivered, offset 3,581 metric tons of CO₂ equivalent in 2019 to achieve carbon neutrality. This neutrality is certified by an organization and a carbon neutrality certificate was granted in 2020 and 2021. Since then, a project for the implementation of a new industrial mail management offer has been studied. Its deployment is scheduled for the first quarter of 2023. This new solution allows better monitoring of mail but especially allows reductions in carbon emissions, waste and consumables:

- fewer trips for trucks thanks to the optimization of filling;
- less undistributed mail transported thanks to address diagnostics;
- simplification of deposit rules;
- less ink used for postage;
- less paper used: digital acknowledgment, fewer envelope references, etc.

On the other hand, as part of the implementation of the new mail range (NGC 2023), the drastic increase in the fast rate of 96% on January 1, 2023 leads to an additional cost of around €10 million for the group. A working group has been set up to verify the appropriateness of its use with the migration to the slow rate otherwise. A justification for maintaining the fast rate was requested. The documents which will continue to be sent by fast mail have been identified, and the switch to slow mail or dematerialization of the other documents is either underway or has already been made.

Actions carried out in addition to the scenarios of the various social, governance and societal components managed by the group

Deployment of benefit corporation objectives

Euro-Information actively participates in the implementation of the objectives set by Crédit Mutuel Alliance Fédérale as part of the benefit corporation.

Euro-Information has worked on mission 5: "As a responsible company, we actively work for a fairer and more sustainable society" whose commitments are:

- commitment 14: ensure the real estate loan of our loyal customers without any medical formalities;
- commitment 15: commit to customers in financial difficulty with an account at €1 net per month without any incident fees.

The Euro-Information Développement Assurances sector was mobilized to implement the abandonment of medical formalities in the context of borrower insurance in 2021. Since July 1, 2022, this system coexists with the Lemoine law and is based on criteria defined by the group, including customer loyalty. Since start-up on December 1, 2021, there have been a total of 1,042,160 cases, of which 162,755 were processed without medical formalities. Other sustainable finance projects should be launched in 2023 in the life insurance scope.

[1] An EPR (Extended Producer Responsibility) channel is a product category to which the EPR principle applies

Commitment 15 was implemented during 2022. The price was applied retroactively to the entire inventory and applied to new sales. This currently concerns 51,673 beneficiaries. At the same time, application developments have been made to facilitate promotion to member, in particular by systematically offering the A share to a customer who is not equipped.

Respectful of everyone's privacy, the group is committed to putting technology and innovation at the service of people. This is in line with commitments 7 and 8 of mission 3:

- commitment 7: guarantee the privacy of our customers' data in processing 99.9% of their information in our infrastructures and systems located in France;
- commitment 8: invest productivity gains from artificial intelligence in employment and development.

At the beginning of 2022, the group also introduced free executive liability coverage for all chairmen of associations. This is commitment 10 of mission 4 "As a solidarity-based company, we contribute to regional development":

- commitment 10: offer the Pay Asso digital payment solution to our associations and civil liability coverage to their managers

Accessibility of applications

As part of the provision of web applications and apps, Euro-Information ensures that its interfaces are accessible. Since the end of 2019, Euro-Information has embarked on an action plan to include accessibility in the practices, documents, tools and training of the processes of the development teams as well as for the digital processes of the entities adhering to Euro-Information's information system, in order to comply with the legal requirements of Decree No. 2019-768 of July 24, 2019. All actions are monitored by a project group. The group works in collaboration with the accessibility correspondents from the group's entities and Euro-Information, with the diversity and inclusion division of the group HR department, the local disability correspondents and the employees on a voluntary basis. Euro-Information coordinates the digital accessibility correspondents of the entities (4 to 6 meetings per year), manages internal and external audits (32 have been carried out or are ongoing) as well as the monitoring of the improvements to be implemented.

The Accessibility portal on Euro Information's ergonomics site provides access to documentation on accessibility, legal obligations, solutions and tools made available to the development teams and the entity's webmasters. Accessibility on ATMs has been taken into account for more than ten years. It is possible to make a withdrawal with voice assistance through the rapid withdrawal function - withdrawal from the account associated with the card -, available to any holder with a headset at ATMs equipped with a headset jack (possible in French and English in France).

The decree of July 25, 2019 relating to the digital accessibility law, requires private sector companies with more than €250 million in annual revenue to guarantee access to digital Internet, intranet, extranet services, mobile applications, to any individual, customer or employee, regardless of whether they have a visual, hearing, cognitive and/or physical disability. Each user, without discrimination, must be able to easily perceive, understand, navigate and interact on the group's digital media. French regulations are based on the *Référentiel général d'amélioration de l'accessibilité* - General Accessibility Improvement Framework (RGAA), which lists 106 criteria to be met.

The accessibility division ensures the compliance of the websites and mobile applications of the 21 group entities that have joined the project. Its objective is to move towards the level of partial compliance, with a compliance rate of more than 50%. Among the 127 sites and applications in the scope, 35% of the sites and applications audited obtained an accessibility rate of more than 50% from the first audit. 61% of sites and applications are audited or in the process of being audited. At this rate, the entire scope will be audited in three years, which corresponds to the maximum rate required by law. Costs were optimized thanks to the implementation of a framework agreement by Euro-Information's purchasing teams.

Since October 2022, special attention has been paid to online banking sites and applications. This strategy aims to strengthen three areas: positioning in relation to the competition, image and accessibility by design. It is essential to code Accessible by design, so accessibility rules are embedded in the ergonomic components, in the template of the sites and the graphic charters. The ErgoQual tool has an accessibility auditor to detect non-compliance. Help for correcting the most frequent accessibility errors is available, covering many criteria from the general accessibility improvement framework. A broad training course will be rolled out. Webmasters systematically integrate the regulatory accessibility obligations for all new sites.

AGORA – Collaborative platform of members of Crédit Mutuel Alliance Fédérale

AGORA makes it possible:

- a collaborative and exchange platform for Crédit Mutuel Alliance Fédérale members, aimed at federating them around shared areas of interest, through events, themes and local, regional and national communities. Each Member can interact, participate, "like" and comment on events and communities;
- a social network accessible to employees of the banks, to employees who have a link with the AGORA and to all individual members and associations using remote banking;
- a tool for communication, commitment and renewal of membership.

This tool is evolving thanks to feedback from employees and member customers and recently new functionalities have been added, such as:

- for a community to advertise for volunteers;
- to transfer the management of a community or event;
- to add a follow-up of the elements of the AGORA for the back office;
- to improve a user's first login with respect to acceptance of GDPR documents, Terms of use, etc.

Green project (Monabanq): Carbon analysis of expenses

In 2021, Monabanq offered its customers a quarterly newsletter, including an analysis of the carbon footprint of the expenses incurred. Euro-Information is currently working on automating this action to make it easier and interactive through the budget management tool. The objective is to offer customers a CO₂ equivalent of their expenses by analyzing the category of the user's expenses.

This tool is developed for the application as well as the website. A pilot took place with employees in May 2022, and the service was rolled out to all Monabanq customers on June 22, 2022. The activation statistics as of January 3, 2023 are as follows:

- number of Green activations: 7,877;
- number of Green deactivations: 301;
- number of Green questionnaires completed: 3,236;
- number of budget management users: 76,681.

The percentage of service activation among customers, budget management, rose above 10% to 10.27%, an increase of 1.4 points compared to November. A questionnaire was sent to a panel of customers to analyze usage. Subsequently, the development of a documentation and/or recommendations space is in the pipeline in order to enable customers to better understand their carbon footprint and to act accordingly. This tool can be set up on each of the applications and websites of the group's entities which so request. A request has already been made by Beobank to be able to offer the service to its customers.

PAULA project

The PAULA project involves pooling ATMs between the BNP Paribas, Crédit Mutuel and CIC banks, and Société Générale in mainland France. This will make it possible to increase the number of service points for all customers of the project's partner banks and to maintain the quality of service even in areas where activity is reduced. For the group's customers, 56% of additional sites will be accessible at the end of the project. This project will also have an environmental impact as it will reduce the need for more equipment and reduce energy consumption. In addition, the automation of cash recycling through the massification of deposits will generate less loading of ATMs and therefore less transport of funds.

Inclusion of workers with disabilities

Euro-Information applies the group agreement, which celebrated its first anniversary at the end of 2022 (reimbursement of prevention and well-being contracts, request for study grants, workstation adaptation, remote working, etc.). In this context, Euro-Information has designated two disability referents. Individual meetings are organized with the declared employees (68 to date) and information meetings on the mechanisms with the family caregivers. Two employees with disabilities were hired internally.

Significant action has been taken at EID for several years to integrate people with disabilities. A partnership was concluded with the organization COMPETHANCE with the award of two grants to train people with Asperger's syndrome, who wish to become programmers. In this context, Euro-Information Développement welcomed in 2022:

- two people at the Verlinghem site;
- a work-study student at the Tassin la Demi-Lune site who arrived in 2021.

Euro-Information welcomed two other service providers in Cergy *via* another company, Innovandco, which also specializes in disability. These services ended in August 2022. Concerning the recourse to adapted companies, two orders were carried out by Arthea and Réseaux Adaptés in 2022.

Quality of Life at Work (QLW) scope

In an effort to improve its carbon footprint, the group is seeking to optimize employee commuting. The platform, *7^{ème} sens* (7th sense), was rolled out in March 2022 within CIC Ouest bank as a pilot and then extended to the whole of Crédit Mutuel Alliance Fédérale in June. It allows all employees to declare their journeys to work or to training courses, to specify the available places in their car or conversely their need for a place on a journey. The employee is alerted when a requested journey is available. Since March, more than 800 employees have registered and 400 journeys have been proposed. Nearly 600 teams have been formed to carpool for one-way or round-trips. In the end, 9,600km and an estimated 1.5 metric tons of CO₂ were saved.

As part of the calculation of the group's carbon footprint, a project began at the end of 2021 to improve the collection of commuting data. This project will make it possible, in several stages, to refine the carbon footprint calculations by recording the days of presence on site and remote working and will directly calculate the distance between home and work. In the long term, it will make it possible to retrieve the main mode of transport of each employee in line with the evolution of QLW agreements on the mobility bonus.

Euro-Information also takes part in the group's discussions to promote and manage new modes of transport and roll out remote working. New possibilities have been offered for remote working with several adaptations, particularly in terms of capacity of use. This capacity was stepped up significantly in the context of the pandemic and makes it possible to ensure the redundancy of the equipment concerned. The group agreement on QWL and remote working of January 8, 2021 has generated the need to deploy standard configurations for remote working, designed and validated to facilitate the installation of equipment in the employee's personal home. One or two screens are currently provided as needed as well as the communication kit (webcam, headsets or speaker phones depending on the business scope) and a basic kit (keyboard and mouse). A larger 27-inch screen, to improve visual comfort for space-starved employees, was qualified in Q1 2022 and entered inventory in Q3. This should be rolled out gradually within the group and is already in place at Euro-Information. Since 2022, a universal docking station has enabled employees to easily connect both at the office and at home for remote working.

Remote working has also highlighted printing issues for the staff of the local banks and branches. Projects have been launched to harmonize processes (printing, electronic signature, generation of PDF documents) and make it possible to eliminate the need for physical printers. This resulted in an important update at the beginning of 2021 to enable the generation of a PDF in all cases. Other projects in terms of EDM and electronic signature are currently underway.

At the end of 2022, a second group amendment was signed relating to QWL and remote working, which does not impact the technical resources already in place.

Sustainable mobility package premium

EID made it possible to deploy the first version of the application for managing the sustainable mobility premium, a component of the group's QWL agreement. This premium is in place in the Euro-Information scope. 1,159 employees benefited in 2022 compared to a total of 824 in 2021. The second group amendment relating to QWL and remote working has increased the mobility package from €400 to €700 for the years 2022 and 2023, and personal electric scooters are now included in the scope of possibilities.

Implementation of the Nutri-Score in a company restaurant

The Lyon site, in partnership with Elior, which runs the inter-company restaurant, has begun to include the Nutri-Score on the restaurant's menus. Elior is the first company restaurant operator in France to deploy this indicator on its menus and therefore allows this inter-company restaurant (ICR) to be the first inter-group restaurant to implement this system.

The Nutri-Score was developed by independent international research teams composed of scientists, doctors and nutritionists, to make nutritional information easier to decipher. To classify each product, the Nutri-Score takes into account, for 100 grams of product, the content:

- in healthy nutrients and foods: fiber, protein, fruits and vegetables, pulses;
- in unhealthy nutrients: calories, saturated fat, sugars, salt.

Indicators

To monitor the group's actions, a review has been carried out since 2019 to define relevant indicators. Concerning the security approach of the Information System, three angles are considered:

- **Availability angle:** the Euro-Information system is reliable and the QMS (ISO 9001) letter determines a target of 100% operation, seven days a week and 24 hours a day. The primary applications are monitored with a target of more than 99%. Availability was very high throughout the year, with an annual average of 99.88%.

RATE OF AVAILABILITY OF PRIMARY TP APPLICATIONS

Granularity	2022-01	2022-02	2022-03	2022-04	2022-05	2022-06	2022-07	2022-08	2022-09	2022-10	2022-11	2022-12
Global	99.70%	99.80%	99.94%	99.86%	99.98%	99.94%	99.83%	99.98%	99.97%	99.82%	99.88%	99.8%

Euro-Information has achieved very high levels of availability. The annual average is higher than in 2021 (+0.12%). The change in this indicator since the start of its monitoring in 2019 has remained stable overall, with an increase of +0.32% [2019 value: 99.54%].

- **Claims angle:** processing by Euro-Information must be reliable and the malfunctions must be the least impacting possible. All IT incidents are monitored, including claims with a financial impact of more than €1,000 for the Crédit Mutuel group and its partners. The Euro-Information claim ratio was 398 in 2020, 331 in 2021 and 324 in 2022. The number of claims therefore decreased slightly in 2022, but the amount of claims fell sharply by approximately 71% compared to 2021, due to the cessation of the accounting of claims related to the Covid-19 pandemic. The number of claims impacting banking activities was 34 in 2022 compared to 38 in 2021, with a 31% decrease in net value.
- **Security angle:** the Euro-Information system is constantly subjected to attacks to test its strength. Again, incidents arising from attacks should be limited in number if the cause is internal [the external volume is not controlled] with the lowest possible impacts. Ten categories of security incidents have been defined based on the standards of the European Network and Information Security Agency (ENISA) with, for example:
 - **Intrusion** [exploitation of vulnerabilities, compromised accounts or applications]. The purpose of this category is to classify all security incidents involving the detection of an intrusion on systems or premises. This concerns, for example:
 - the discovery of a new account not known by the administrators of a machine;
 - the exploitation of vulnerabilities;
 - operations detected which are not explained (no associated AGATE, no planned intervention).
 - **Breach of availability** (DDoS, theft, sabotage, etc.). The purpose of this category is to classify all security incidents that concern the breach of the logical or physical availability of one of the systems. This concerns, for example:
 - the theft of a portable computer;
 - a distributed denial of service (DDoS) attack on our networks;
 - the sabotage of a room or a system.

After calculation, the score obtained by a product makes it possible to assign it a letter and a color:

- from the healthiest product, ranked A;
- to the least healthy product, ranked E.

To take into account the specificities of certain food families, such as added fats (butter, oil), cheeses and drinks, the score calculation method has been adapted. The menu of the week is distributed with its indication and each food in the restaurant displays it.

In 2018, 175 "impaired availability-type" attacks and 57 "attempted intrusion-type" attacks were recorded. In 2019, 277 "impaired availability-type" attacks and 27 "intrusion attempts" were identified. In 2020, there was only one intrusion attempt and 244 impaired availability-type attacks. In 2021, no intrusion attempts and 261 impaired availability-type attacks were identified. In 2022, two intrusion attempts and 168 breaches of availability were recorded, *i.e.* a decreasing volume, but with more sophistication in certain attacks. These two security indicators confirm the necessity of being equipped to counter DDoS-type attacks and the robustness of the surveillance and defense system.

3.10 CSR POLICY OF THE PRESS DIVISION

3.10.1 Quantitative data

Indicator code	Indicator description	Unit of expression	2022
ENV01P	Newsprint	Metric tons	39,748
ENV02P	of which labeled paper	Metric tons	28,335
ENV03P	Aluminum plates	Metric tons	267
ENV04P	Newspaper ink and prints	Metric tons	594
ENV05P	Packaging	Metric tons	280
ENV06P	Waste – reel start and end	Metric tons	1,518
ENV07P	Waste – fall of white paper from rotating machines	Metric tons	1,161
ENV08P	Waste – print returns	Metric tons	4,411
ENV09P	Waste – inserts	Metric tons	632
ENV04	Water consumption	Cubic meter	30,505
ENV05	Total energy consumption	Kilo Watt Hour	32,801,188
ENV05_01	Steam water in urban networks	Kilo Watt Hour	776,190
ENV05_02	Chilled water in urban networks	Kilo Watt Hour	107,997
ENV06	Electrical energy consumption	Kilo Watt Hour	23,743,082
ENV07	Gas energy consumption	Kilo Watt Hour	7,656,801
ENV08	Fuel energy consumption	Kilo Watt Hour	517,118
ENV30	Fugitive emissions of frigorific gases	Kilograms	183
ENV09	Total paper consumption	Metric tons	189
ENV10	Total consumption of paper for internal use	Metric tons	94
ENV11	Total paper consumption for external use	Metric tons	95
ENV15	Recycled used paper as output (waste)	Metric tons	43
ENV15L	Total labeled paper purchased	Metric tons	118
ENV15R	Total recycled paper purchased	Metric tons	6
ENV15RP	Recycled newspaper	Metric tons	35,476
ENV13	Consumption of toner cartridges	Whole number	2,224
ENV16	Used toner cartridges recycled after use	Whole number	1,404
ENV18	Business travel – air	Kilometers	256,233
ENV19	Business travel – train	Kilometers	3,124,850
ENV23	Business travel – employee vehicle	Kilometers	5,533,078
ENV25	Business travel – taxi & car rental	Kilometers	59,308
ENV20	Motor fleet of the entity – number of km all vehicles	Kilometers	16,919,453
ENV29P	Transport – transalliance	Metric tons	38,526
ENV30P	Transport – La Poste	Metric tons	1,949
ENV31	Number of videoconferencing equipment	Whole number	7
ENV32	Number of videoconferences	Whole number	341
ENV33	Total duration of videoconferences	Centesimal hours	1,143
ENV34	Documents digitized (paper avoided)	Metric tons	56
GOUV01	Total number of members of the Board of Directors of the structure (in the sense of capitalistic company)	Whole number	55
GOUV02	Number of women on the Board of Directors of the structure (in the sense of capitalistic company)	Whole number	15
GOUV09_02	Subsidiaries: number of directors from the Board of Directors or Supervisory Board aged < 40 years	Whole number	2
GOUV09_03	Subsidiaries: number of directors from the Board of Directors or Supervisory Board aged 40-49 years	Whole number	8
GOUV09_04	Subsidiaries: number of directors from the Board of Directors or Supervisory Board aged 50-59 years	Whole number	21
GOUV09_05	Subsidiaries: number of directors from the Board of Directors or Supervisory Board aged ≥60 years	Whole number	24

Indicator code	Indicator description	Unit of expression	2022
SOC01	Total workforce in FTE	Full-Time Equivalent	3,615
SOC01_BIS	PPH workforce on the payroll	Natural Persons	5,453
SOC01_F201	Female managers with open-ended contracts in France	Natural Persons	799
SOC01_F202	Female non-managers with open-ended contracts in France	Natural Persons	1,597
SOC01_F203	Female managers on fixed-term contracts in France	Natural Persons	22
SOC01_F204	Female non-managers with fixed-term contracts in France	Natural Persons	152
SOC01_H211	Male managers with open-ended contracts in France	Natural Persons	1,003
SOC01_H212	Male non-managers with open-ended contracts in France	Natural Persons	1,636
SOC01_H213	Male managers with fixed-term contracts in France	Natural Persons	44
SOC01_H214	Male non-managers with fixed-term contracts in France	Natural Persons	200
SOC02	Total workforce France (Open-ended + Fixed-term contracts) – Natural Persons	Natural Persons	5,453
SOC04	Total workforce with fixed-term + open-ended contracts – managers	Natural Persons	1,868
SOC05	Total workforce with fixed-term + open-ended contracts – non-managers	Natural Persons	3,585
SOC07	PPH Workforce – Women	Natural Persons	2,570
SOC08	Workforce – open-ended contract	Natural Persons	5,035
SOC08_NCADRE	Workforce – open-ended contract – non-managers	Whole number	3,233
SOC08BIS	Workforce – open-ended contract – women	Whole number	2,396
SOC09	Workforce – fixed-term contract	Natural Persons	418
SOC12	% open-ended contract employees	Percentage rate	92
SOC13	Total hires	Natural Persons	3,562
SOC14	Men hired	Natural Persons	2,160
SOC15	Women hired	Natural Persons	1,402
SOC16	Hires with open-ended contracts	Natural Persons	561
SOC17	Hires with fixed-term employment contracts	Natural Persons	3,001
SOC19	Number of employees with open-ended contracts that quit the organization	Natural Persons	801
SOC20	Number of employees with open-ended contracts that quit the organization on dismissals	Natural Persons	139
SOC29	Number of full-time employees with open-ended or fixed-term contracts (including full-time parental leave)	Natural Persons	3,059
SOC30	Number of part-time employees with open-ended or fixed-term contracts and managers with reduced day package	Natural Persons	2,394
SOC38	Total number of days of absence	Working days	100,123
SOC39	Number of days of absence due to illness	Working days	92,485
SOC40	Number of days of absence due to workplace accidents	Working days	7,638
SOC41	Number of days of absence for maternity/paternity	Working days	5,027
SOC46	Payroll invested in training (payroll expense for training in euros)	Euros	1,219,476
SOC47	% of payroll expense invested in training	Percentage rate	1
SOC48	Number of employees who have had at least one training session	Whole number	1,220
SOC49	% of trained employees	Percentage rate	22
SOC50	Total number of hours allocated to employee training	Centesimal hours	25,179
SOC52	Number of work-study trainings	Whole number	71
SOC53	Number of work-study trainings with professionalization contract	Whole number	35
SOC54	Number of work-study trainings with apprenticeship contract	Whole number	36
SOC59	Number of women among managerial staff	Whole number	821
SOC60	% of women among managerial staff	Percentage rate	44
SOC61	Number of managers promoted in the year to a higher level of function	Natural Persons	292
SOC62	Number of women among managerial promotions	Whole number	123
SOC63	% of women among managerial promotions	Percentage rate	42
SOC68	Number of disabled workers in the total workforce	Whole number	200
SOC71	% of disabled workers in the total workforce	Percentage rate	4

Indicator code	Indicator description	Unit of expression	2022
SOC73	Gross payroll excluding employers' contributions (<i>in €</i>)	Euros	174,363,234
SOC74	Average annual compensation of employees with open-ended contracts – all statuses	Euros	35,575
SOC75	Average annual compensation of employees with open-ended contracts – non-managers – all statuses	Euros	14,189
SOC76	Average annual compensation of employees with open-ended contracts – managers – all statuses	Euros	65,561
SOC81	Total amount of bonus (profit-sharing and shareholding) (<i>in € – excluding employer contributions</i>)	Euros	732,571
SOC82	Number of employees having received a profit-sharing and shareholding bonus	Whole number	2,477
SOC88	Workforce < 25 years old	Natural Persons	258
SOC89	Women < 25 years old	Natural Persons	128
SOC90	Workforce 25-29 years old	Natural Persons	327
SOC91	Women 25-29 years old	Natural Persons	137
SOC92	Workforce 30-34 years old	Natural Persons	301
SOC93	Women 30-34 years old	Natural Persons	138
SOC94	Workforce 35-39 years old	Natural Persons	393
SOC95	Women 35-39 years old	Natural Persons	190
SOC96	Workforce 40-44 years old	Natural Persons	520
SOC97	Women 40-44 years old	Natural Persons	258
SOC98	Workforce 45-49 years old	Natural Persons	610
SOC99	Women 45-49 years old	Natural Persons	295
SOC100	Workforce 50-54 years old	Natural Persons	890
SOC101	Women 50-54 years old	Natural Persons	437
SOC102	Workforce 55-59 years old	Natural Persons	979
SOC103	Women 55-59 years old	Natural Persons	466
SOC104	Workforce 60 years old and older	Natural Persons	1,175
SOC105	Women 60 years old and older	Natural Persons	521
SOC107	Total gross annual compensation (<i>in €</i>) of employees with open-ended contracts	Euros	164,012,927
SOC108	Total gross annual compensation (<i>in €</i>) of non-managerial employees with open-ended contracts	Euros	45,872,451
SOC109	Total gross annual compensation (<i>in €</i>) of managerial employees with open-ended contracts	Euros	118,140,476

3.10.2 Specific report of the press division

EBRA is the leading French regional press group with a circulation of more than 800,000 copies per day for more than three million print readers and a significant digital audience for all titles: 17.5 million pages viewed per day, and 15 million unique monthly visitors.

EBRA employs nearly 1,400 journalists and owns nine regional dailies: *Le Dauphiné libéré*, *Le Progrès*, *Le Bien public*, *Le Journal de Saône-et-Loire*, *Le Républicain lorrain*, *L'Est républicain*, *Vosges matin*, *Les Dernières Nouvelles d'Alsace* and *L'Alsace*.

The nine titles have a strong local presence and cover a total of 23 departments across the entire eastern seaboard of France. The EBRA group is present with its various brands in print and digital as well as an events offering with its subsidiary EBRA Events and video expertise *via* its subsidiaries EBRA Studios and EBRA Productions.

In order to enrich its know-how with successful brands, in 2022, the EBRA group acquired the Humanoid Group, publisher of the emblematic media Frandroid, Numerama, Madmoizelle and owner of the creative agency Humanoid xp.

As part of the commitments and missions pursued by Crédit Mutuel, the EBRA group companies are continually seeking to improve by implementing new rules and procedures, particularly regarding social, ethics and environmental responsibility aspects.

Positive Workplace® CSR Label

In December 2021, the EBRA group was awarded the first star of the Positive Workplace CSR label, thus becoming the first media group to receive the CSR label.

Since then, the group has adopted a proactive CSR policy and has deployed an action plan with the aim of progressing in its approach, enabling the group to compete again for a second star by 2023.

Restructuring operations

As part of its transformation process, initiated four years ago, and in light of new societal and economic challenges, the EBRA group wanted to work in depth on its brand strategy and give itself a *raison d'être* in order to redefine and share the role it intends to play in society today and tomorrow.

The *raison d'être*, "Agir pour renforcer les liens de proximité et de confiance entre les acteurs de nos régions" (Act to strengthen local ties and trust between players in our regions), enables the group to assert itself, while preserving the heritage and identity of its emblematic press titles. This will be reflected in a set of tangible proofs on the seven

commitments made by the group illustrating this *raison d'être*. It sets a course and guides future strategic choices, both in terms of content and service offerings and HR and CSR policies.

At the same time, the EBRA group has defined a positioning for each title: the objective is to create differentiation beyond its regional or local vocation. Naturally, this positioning is linked to the company's *raison d'être* and is aimed directly at readers.

To make this positioning a reality, the newspapers produce content or services in line with their specific positioning, but they are also part of a common base that must above all serve the local community and address the issues of the region.

EBRA has also completely overhauled its graphic identity with a new logo, in line with the group's positioning, as well as a modernization of the logos of the title brands to harmonize them with the image of the EBRA group.

Realization of a group carbon footprint

Committed to a low-carbon approach, the EBRA group has carried out a full-scope carbon footprint that goes beyond legal requirements. In 2021, 74,538 metric tons of CO₂ were generated by the group's activities. The carbon intensity per employee is 5.10 metric tons of CO₂ and the economic carbon intensity is 152 kg of CO₂ per €k of revenue. The most important items of the EBRA group are freight transport (FRET) 24.9%, paper consumables 23.1%, premises 13.5%, purchases of services 9.2% and travel 6.7%.

Aware that it is imperative to reduce the group's carbon footprint, the latter has defined a short- and medium-term carbon trajectory with a timed action plan to reduce the group's carbon footprint by 10% within two years. To do this, EBRA is supported by SAMI, a company specializing in carbon assessments in the press sector. The EBRA group now uses a carbon calculator to manage its transition to a more responsible and sustainable world.

Environmental responsibility

Concerned about reducing their environmental impact, the EBRA group's printing plants have continued their actions by:

- adapting machines and consumables to no longer use plastic packaging for newspaper mail items;
- continuing their research on inks and other chemical products in order to use products that are more respectful for people and the environment;
- testing, with the help of CITEO and an ink producer, new solutions based on vegetable inks. The project was successfully closed in mid-June;
- developing their waste management policy and promoting the circular economy by entering into a partnership with the Perlen paper mill. This ensures local recycling of waste paper directly into newsprint, thus promoting a short circuit.

Finally, because of their commitment to more sustainable forest management, the newspapers printed in the group's four printing centers have obtained and renewed their PEFC certification, allowing them to continue using the *Imprim'vert* label.

The group has launched an energy sobriety plan focused on reducing heating by limiting the temperature in offices to 19°C, switching off illuminated signs in headquarters and branches, and implementing the group's travel policy. The aim is to significantly reduce its energy consumption. It is accompanied by a guide for employees on the eco-friendly actions to adopt.

In order to make employees aware of the importance of soft mobility and regular physical activity, all of the EBRA group's divisions participated in various mobility challenges organized in their localities. EBRA also promotes the use of trains and supports the purchase of electric bicycles with a grant of €200.

Finally, the reduction of the carbon and digital footprint was promoted by the renewal, in 2022, of the responsible digital operation "Clean up your PC!", which aims to delete files and emails that have become useless or obsolete. In 2022, the operation resulted in an estimated saving of 49 metric tons of CO₂, 8 metric tons more than the previous operation in 2021.

Socially responsible commitments

The EBRA group also continued its socially responsible approach on the theme of Living together by rolling out an agreement signed on December 1, 2021. The objective of this agreement is to contribute to the quality of life at work for employees by setting up a concerted and flexible remote working framework as well as paying particular attention to disconnection rules. In addition, to promote parenthood, the group has extended the duration of maternity and paternity leave.

The EBRA academy group's offer is growing. In 2022, seven face-to-face training courses were offered to EBRA group employees. After those dedicated to managers, sales forces of advertising departments and sales departments for which 29 promotions have already been set up, four new courses were created at the end of 2021 to be deployed in 2022: journalists, assistants, project managers and employee representatives.

All these programs were designed within working groups composed of employees with varied profiles from the various group entities.

This academy is complemented by a careers committee whose role is to identify the group's key people and ensure that they are retained for a personalized career path.

In addition, for the EBRA Events branch, customers will now be offered support for the organization of events with a strong positive impact. More generally, diversification is based on low-carbon offers and services.

Finally, EBRA is expanding its non-financial indicators by including monitoring indicators on the evolution of the transition to digital and the editorial contribution to the ecological transition.

Business and ethics

In order to take into consideration environmental, social, ethical and societal issues, the EBRA group wishes to promote and maintain long-term and balanced relationships with partners recognized as responsible or committed to similar concerns.

This is why the EBRA group has implemented a new charter to establish a framework of mutual trust: the Purchasing and Sustainable Supplier Relations charter. This document describes all the commitments to be respected when a supplier or service provider wishes to enter into a relationship with one of the EBRA group companies.

The charter will accompany the various contracts and/or purchase orders that will be proposed to the partners for signature. It is a communication and awareness tool on the group's new *raison d'être* and concerns. The document will also allow the partner to access, if necessary and in full confidentiality, the group's recently established alert system.

The document addresses various issues such as respect for human rights, labor law, equal opportunities, protection of personal data, the fight against corruption, confidentiality of information exchanged, as well as environmental values and approaches: limiting greenhouse gas emissions, responsible waste management.

3.11 VIGILANCE PLAN

3.11.1 Introduction

The law No. 2017-399 of March 27, 2017, pertaining to the responsibility of parent companies and initiating companies is the law known as "duty of vigilance". This law obliges large companies to establish and implement a "vigilance plan", intended to prevent serious harm to human rights and the environment as part of their activities and those of subcontractors or suppliers with which they have a lasting business relationship. This obligation, which applies to companies, including subsidiaries, employing at least 5,000 employees in France or at least 10,000 employees in France and abroad, concerns in particular Crédit Mutuel Alliance Fédérale and the entities which comprise it.

The vigilance plan is submitted to the Control and Compliance Committee and Auditing and Accounting Committee, which represents the supervisory authority of Crédit Mutuel Alliance Fédérale. It may be subject to modifications as the group makes progress in the matter and incorporates the particularities of certain professions.

The vigilance plan and its implementation are made public through the non-financial performance statement (NFPS), which can be consulted on the dedicated website^[1].

3.11.2 Presentation of the vigilance plan

3.11.2.1 Definition of the vigilance plan

"The plan contains reasonable vigilance measures adequate to identify risks and prevent serious harm to human rights and the fundamental freedoms, health and safety of persons as well as the environment, resulting from the company's activities and those of the companies it controls within the meaning of II of Article L.233-16, directly or indirectly, as well as the activities of subcontractors or suppliers with which there is an established commercial relationship, when these activities are related to this relationship." [See Article 1 of law No. 2017-399].

The vigilance plan is fully integrated into the SMR approach implemented by Crédit Mutuel Alliance Fédérale in recent years. This approach was strengthened in 2020 by the adoption of a *raison d'être*, "*Ensemble, écouter et agir*" (Listening and acting together), supplemented by the benefit corporation status of Caisse Fédérale de Crédit Mutuel and CIC.

3.11.2.2 Scope of the vigilance plan

The vigilance plan makes it possible to identify risks and prevent serious harm in the following areas:

1/ Human rights and fundamental freedoms

There are several categories:

- **inherent human rights:** meaning equality, freedom, property, safety and freedom from oppression;
- **rights that are aspects or consequences of the preceding:**
 - from the principle of equality, for example, ensues universal suffrage, gender equality, and also equality before the law, employment, taxes, justice, access to culture,
 - the principle of freedom elicits the existence of the individual freedom, of opinion, of expression, of assembly, of worship, of the right to unionize and to strike,
 - the right of property implies the freedom to dispose of personal property and entrepreneurial freedom,

[1] <https://www.bfcm.creditmutuel.fr/fr/investisseurs/information-financiere-reglementee.html>

- the right to safety justifies the preclusion of arbitrariness, the presumption of innocence, respect for the rights of defense, the protection of individual freedom by justice;
- **social rights**, meaning services that are the responsibility of the collectivity: we can cite the right to work, protection of health, free public education;
- **rights related to the environment**, which affirm the right of everyone to live in a balanced environment that's respectful of health and which enshrine the notion of sustainable development and the precautionary principle.

The vigilance plan covers infringements on human rights and fundamental freedoms generated by the activities of Crédit Mutuel Alliance Fédérale or its partners, suppliers and intermediaries, on their stakeholders within the context of established commercial relationships.

2/ Health and safety of individuals

a) Definitions

- The WHO defines health as “the complete state of physical, mental and social well-being, which does not only consist of the absence of illness or infirmity”;
- Safety designates all of the provisions intended to ensure the protection of persons and property in a manner such that the situation in which one finds his or herself has an acceptable level of risk.

b) Examples of risks to safety and health at work

Physical activity (working on a screen, lumbago, etc.), noise, occupational cancers, chemical risks (asbestos, etc.), travel, psycho-social risks [aggression, external violence, occupational exhaustion or burn out, harassment and internal violence, stress, suicide], etc.

c) The vigilance plan covers infringements of health and safety inside and outside the company

- internally, the employer should ensure safety and protect the health of employees. The employer should take the necessary preventive measures against occupational risks and inform and train employees about these risks. The employer should also respect certain rules in the layout and utilization of the work premises,
- externally, the employer should also ensure that the company's activities like those of its suppliers do not have negative repercussions on the health and safety of the supplier's employees, customers or any other persons.

3.11.3 Measures of the vigilance plan

In accordance with the law, it includes the following five principal measures:

- a mapping of risks intended to identify, analyze and prioritize them;
- regular assessment procedures of the situation of subsidiaries, subcontractors or suppliers with which there is an established commercial relationship, in terms of the mapping of risks;

3/ The environment

Risks related to the environment are industrial or technological risks generated by the company or partners, which have an impact on the environment: water, air, sites and soils, noise, etc. Risks related to financing and investment activities are also included, the goal being to reduce as much as possible the environmental consequences resulting from these activities. They concern:

- the vitality of the ecosystem (protection of the ecosystem, resource management, pollution);
- management of water, agricultural, fishing and forest resources, but also climate change and biodiversity and the air;
- environmental health: impact of the environment on human health.

3.11.2.3 People concerned by the vigilance plan

All those people likely to be affected by a risk or an infringement of a social or environmental nature are those who are involved in the context of the company's activities or in the context of a commercial relationship, particularly with suppliers and subcontractors. This includes managers, employees, temporary workers, staff (seconded or not), suppliers, subcontractors, customers and all other persons involved. These people can be at the origin of the violation of social or environmental rights, they can also be active or passive accomplices or even victims. Put simply, it is necessary to distinguish:

- the risks generated by the entity/subsidiary on employees;
- the risks generated by the entity/subsidiary of customers *via* activities, financing granted, investments made, products and services offered;
- the risks generated by the entity/subsidiary on its partners (suppliers and subcontractors, intermediaries. etc.) and third parties;
- the risks generated by partners (suppliers, intermediaries, etc.) with which the entity/subsidiary has an established commercial relationship, when activities are related to this relationship, on their employees and third parties.

- appropriate measures to mitigate or prevent serious harm;
- a whistleblowing system and procedure for reporting the existence or occurrence of risks;
- a mechanism to monitor any measures put in place and to assess their effectiveness.

3.11.3.1 Mapping of social and environmental risks

The mapping of risks covers the areas evoked above based on an awareness of employees' work situation, relationships with customers and partners, activities exercised by the company and those of subcontractors and suppliers.

The objectives sought consist of:

1/ Identifying the risks

This means identifying all the dangers to which employees (of the company or suppliers), customers or third parties may be exposed.

2/ Analyzing the risks

The risk incurred for each situation identified as dangerous is to be defined and evaluated based on:

- the nature of the danger;
- the means of prevention already existing (technical, organizational, human).

Scoring	1	2	3	4	5
Degree of risk	Very substantial	Substantial	Average	Low	Very low

For each case, residual risk is then valued according to the extent to which there is coverage for the observed risk based on the existence and relevance of preventive or mitigation measures in place. Its scoring is established based on the five following levels of risk:

Scoring	1	2	3	4	5
Degree of risk coverage	Inadequate coverage: risk not covered and remedial measures need to be quickly implemented.	Insufficient coverage: risk partially covered with significant points for improvement identified.	Average coverage: risk covered but with one or more points for improvement identified.	Satisfactory coverage: risk covered by a suitable mechanism (organization, procedures, controls, etc.).	Very satisfactory coverage: risk covered by a controlled mechanism.

On this basis, Crédit Mutuel Alliance Fédérale has identified the following primary potential risks:

- concerning human rights and fundamental freedoms: discrimination, undermining equality, breach of a person's right to respect for their private and family life; the right to strike, the right to freedom of assembly and of association as well as on the freedom of expression;
- concerning the health and safety of individuals: health risks, non-respect for legal working conditions, infringement on the safety of workers and inequality of access to the right to health, harassment;
- concerning the environment, the risk of pollution: undermining the fight against global warming, biodiversity and the management or waste.

The mapping is likely to evolve as progress is accomplished in each area.

3/ Classifying the risks

The classification of risks is designed to:

- determine the priorities of the action plan based on the potential seriousness and probability of occurrence;
- implement preventive measures.

For each area (human rights, fundamental freedoms, health and safety of people, environment), work has been done to identify the primary risks. These risks were the subject of analysis (by experts) leading to a two-part assessment based on the concepts of gross risk and then that of residual risk. Gross risk^[1] considers the probability of the risk's occurrence and its frequency as well as the impact that the particular case may have on the entity's activities and services it provides to customers.

Scoring is established based on the five following levels:

3.11.3.2 Assessment procedures concerning the status of suppliers and subcontractors

Regular assessment of the status of subcontractors and suppliers, particularly external, with which there is a commercial relationship is conducted with the help of various operational procedures within Crédit Mutuel Alliance Fédérale.

1/ Bidding process procedures

Most purchases are made by the business line centers. Certain business lines have defined procedures for the bidding process in view of the importance of negotiations. At Euro-Information, suppliers are listed in several categories, the main ones being "essential suppliers" and/or "sensitive suppliers" (economic or strategic importance for Euro-Information or for its customers). For the bidding process and in regular fashion, purchasing teams ask these suppliers to provide documents that can attest to their CSR procedures (or to provide the link to the document on the Internet) in order to know the content. This operation is applied in the purchasing process of equipment/software, but also in the context of buying immaterial computer services from DSC (Digital Services Companies) suppliers. Euro-Information conducts a regular review of it. The assessment of suppliers is also done through policies established by the group (sectoral policies, purchasing policy and charter with suppliers, essential outsourced services; see below).

[1] Gross risk is defined without taking into account the control environment.

For example, Euro-Information includes the supplier charter in its bidding process procedures.

2/ Collection of documentation and information on external suppliers

Numerous elements that make it possible to check on the identity of the supplier, its reputation and the quality of service provided are collected as part of the group's procedures.

Information collected on suppliers and service providers are the following:

- with regard to combating undeclared labor (Article L.8222-5 of the French Labor Code), vigilance obligations required of all suppliers with revenues in excess of €5,000 include a Kbis extract (certificate of incorporation), an URSSAF (French social security contributions collections agency) declaration, an URSSAF authentication, the list of foreign workers (LNTE) and a certificate of vigilance;
- other documents requested by certain business line centers depending on their activity: E&O insurance, proof of ten-year liability insurance, license for domestic transport, CNAPS^[1] approval for private security companies, professional licenses of security agents, etc.;
- INSEE (French National Institute of Statistics and Economic Studies) files and legal information that may be consulted with the BIL (companies, associations, sole traders) app;
- for accredited suppliers in the CONTRAT application: contracts, maintenance records, operational elements, etc.;
- the supplier charter which is signed by every new entry in relation with internal business line centers;
- the regulatory data from the supplier (legal structure, address, SIRET number, NAF code, legal category, etc.) are reported in the application – PIEFOU – a management tool for supplier invoices;
- when the supplier is also a customer, elements related to the fight against money laundering and the financing of terrorism (AML/CFT) are requested of the supplier or service provider.

3/ Selection of intermediaries and collection of information

- For retail banking, the PRESC application for IOBSPs (intermediaries in banking operation and payment services) makes it possible to identify the following documents: ORIAS (France's official register of insurance, banking, and finance intermediaries) registration, civil liability insurance, financial security, mandate, etc.
- In addition, each retail bank or specialized business line, establishes a referencing procedure for IOBSPs, which allows for the formalizing of the collection of required information and the implementation of certain controls.
- For Capital Markets, a policy is implemented for the selection of financial institutions or other intermediaries to which customer orders are entrusted for execution on French or foreign markets. The chosen entities must dispose of procedures and mechanisms to execute orders that correspond to the objectives set in the group's execution

policy (available on the Internet), particularly to certain criteria (rules of good conduct, terms and conditions of transmission and execution, security of processing). The selection of intermediaries may be modified depending on the evaluation grid and controls carried out.

- In addition, each retail bank or entity concerned (management companies in particular) is responsible for the approval of the financial instrument brokers they deal with and for monitoring their relationship with them. In this regard, the entity:
 - formalizes a procedure for initiating a new relationship, including, in particular, combating money laundering;
 - establishes and keeps current a formal list of authorized brokers who are authorized to work with it;
 - established an evaluation grid of brokers, which allows for regular assessment based on qualitative criteria.

4/ Outsourcing of critical or material services

In general, Crédit Mutuel Alliance Fédérale makes very little use of outsourcing, in all areas, including IT. As such, it retains strategic and core business activities within the group, with priority given to internal expertise.

Outsourcing is limited to specific processes requiring particular expertise or to meet the specific needs of individual entities.

When Crédit Mutuel Alliance Fédérale resorts to outsourcing, it can control its costs while maintaining the expected level of quality and security (both from a user and a regulatory point of view), be responsive to market changes and remain flexible in the face of business line demands and needs. Furthermore, Crédit Mutuel Alliance Fédérale's outsourcing approach complies with universal principles in terms of human rights, labor standards, the environment and the fight against corruption.

The procedural framework for the control of outsourced activities, drawn up by Crédit Mutuel Alliance Fédérale's compliance department, consists of a general policy setting out the framework for the system and an operational procedure with nine annexes detailing the process and the role of the various parties involved. These documents are updated as needed. Crédit Mutuel Alliance Fédérale's outsourcing process, in accordance with regulatory requirements (art 239 of the decree of November 3, 2014), is part of a formal policy of control of service providers (procedure, control, reporting). Each entity setting up a subcontracting system must draw up a written contract with the service provider.

In the case of critical or important services, the entity must ensure that the contractual commitment defines, in particular through specific clauses and annexes, the terms of application: the levels of quality, security and performance of the services expected, regular reporting on the activity and financial situation of the service provider, the existence of back-up mechanisms, and the reversibility plan in the event of interruption of the service.

The regulatory requirements relating to the protection of the information entrusted and the access for the supervision of the ECB/ACPR or the AMF to information related to outsourcing must also be included. More generally, the contract must comply with the laws and regulations applicable to the entity.

[1] National Council on Private Security Activities (Conseil national des activités privées de sécurité).

Each entity must ensure that the supplier charter (CSR/SMR requirements) is signed for each essential outsourced activity.

3.11.3.3 Actions to mitigate and prevent risks

A set of measures aimed at reducing and preventing these risks is implemented vis-à-vis customers, suppliers and employees. These measures are presented below.

1/ In customer relations

a) Relationships based on ethics and the code of conduct

Rules of proper conduct exist to prevent risks to which customers could be subject. They are defined by internal rules that apply to all Crédit Mutuel Alliance Fédérale entities and to which are appended the security charter, the code of conduct and the charter on preventing and combating harassment and violence in the workplace. This mechanism is supplemented by the code of conduct which is a public document.

b) Protection of personal data

Knowing customers and the relationship they have with the bank requires gathering, using and storing a certain amount of information about them. The collection, use and processing of this data are protected and also covered by professional secrecy:

- Crédit Mutuel Alliance Fédérale entities concerned comply with the principle of relevance and proportionality of the data collected regarding the purpose of data processing, in order to comply with legal provisions;
- customer information is handled in a clear and instructional manner, particularly concerning:
 - the identity of the person responsible for processing,
 - the purpose of data processing, avoiding unduly generic wording,
 - the obligatory or optional nature of answers and the consequences of failure to reply,
 - the recipients of this information,
 - the right of access, to object and to correct.

Information on the protection of personal data is disseminated to customers who use remote banking as well as account opening agreements.

On April 27, 2016, the European Parliament and the Council adopted the regulation on the protection of natural persons with regard to the processing of personal data and the free movement of such data. This regulation, which was enforceable beginning from May 25, 2018, strengthens protection of personal data.

Crédit Mutuel Alliance Fédérale has adapted its tools and guidelines to incorporate the regulatory changes stemming from the GDPR.^[1] These adjustments concern the following points:

- creation of a register of data processing activities;
- realization of an impact analysis for data processing likely to present an elevated risk to the rights and freedoms of private individuals;

- implementation of internal mechanisms and procedures that show respect for rules pertaining to data protection;
- establishment of a data protection officer;
- application of the principle of protection of personal data in the design of the processing operation;
- the rights of individuals.

In addition, Crédit Mutuel Alliance Fédérale has adopted a security charter concerning personal data management, which is published on its website. In 2022, 63% of Crédit Mutuel Alliance Fédérale employees completed an e-learning course on the GDPR and the CNIL.

c) IT security management system

Considering the processing of sensitive banking data and the numerous offers of services proposed, Euro-Information (the IT subsidiary of Crédit Mutuel Alliance Fédérale) pays very special attention to all aspects of the IT system. It is updated each year to adapt to new risks and strengthen security. All means are implemented to secure the community system. Thus, based on the ISO 27001:2013 standard, an Information Security Management System (ISMS) is deployed on all of the production sites. This standard provides a framework for implementing, maintaining and improving an Information Security Management System over time.

The ISMS takes into account the external context, the internal context, and the needs and expectations of concerned parties. Its challenges are:

- to bring tangible improvements to the security of the Information System by:
 - putting in place an operational governance of security,
 - adopting a risk approach to manage security,
 - defining security rules,
 - ensuring the application of these rules;
- to continuously improve the security of the Information System by:
 - measuring the security levels achieved,
 - performing a security watch, taking into account new threats and developments in the IS,
 - reducing the impact and frequency of security incidents.

Euro-Information's certification was renewed in 2020 as part of a first combined ISO 9001 (Quality Management System) – ISO 27001 (Information Security Management System) audit. This certification [No. 2017/77568.10] thus validates the Information Security Management System implemented on the IT production centers. The basic principles remain the following:

- availability: provide a reliable system with permanent accessibility;
- confidentiality: secure access, processing and data;
- integrity: guarantee reliability of data.

To which the following have been added:

- traceability of information;
- identification/authentication of people accessing the information.

[1] General Data Protection Regulation.

In 2020 and in 2021, the pandemic resulted in an increased number of cyber attacks. Security has been strengthened, both through actions to raise employee awareness on current risks, technical detection and protection measures, as well as organizational measures within the security teams. A Red Team whose main missions are to identify potential security breaches, to test the means of detection and response to attacks, and to bring the vision of “ethical hackers” to the development teams.

Various monitoring indicators have been implemented, such as:

- the rate of availability of primary TP⁽¹⁾ applications, which is close to 100% in 2022 as in 2020 (SOTI02);
- the number of IT claims costing more than €1,000. The latter amounted to 324 claims in 2022 (331 in 2021).

Employees are also informed of and educated on security, the most common frauds and the ethics rules applicable especially when using IT tools and email. An *Infos Sécurité* [security information] tab on the homepage of the Intranet provides information on the security of bank transactions, people and property, IT security, “Fraud” alerts, warnings, etc. A newsletter on security was also published by Euro-Information for all the group’s employees *via* the intranet.

d) Customer protection in the design of new products and services

Crédit Mutuel Alliance Fédérale’s entities have specific procedures to examine the compliance of new products or major transformations to existing products, including a written opinion from the head of compliance or a designated representative, as well as for any system which is intended to advise or assist customers. New products can be examined by Crédit Mutuel Alliance Fédérale’s New Products Committee or delegated to the entity concerned after informing the compliance department.

The opinion of Crédit Mutuel Alliance Fédérale’s New Products Committee must be sought for a new product that is to be marketed in the network or by several entities. When marketing is restricted to a single business line, the business line’s assessment is communicated to Crédit Mutuel Alliance Fédérale’s New Products Committee for information. The committee may, if it sees fit, issue its own recommendations. Crédit Mutuel Alliance Fédérale’s New Products Committee validates the business line’s control processes beforehand.

e) Fragile or vulnerable customers

Crédit Mutuel Alliance Fédérale has structured its banking inclusiveness system to ensure that the relevant legislation and related commitments are properly implemented:

- by adopting a commitment policy for fragile or vulnerable customers: it describes the ongoing actions together with those within Crédit Mutuel Alliance Fédérale since the end of 2017 to promote banking inclusion, to protect fragile and financially vulnerable customers (especially protected adults) and to highlight how they are assisted in response to the requirements of the public authorities (Observatory of banking inclusion – Banque de France – ACPR);

- by setting up a dedicated central governance body, the Fragile or Vulnerable Customer Committee, to ensure that the legislative obligations and best practices to protect fragile or vulnerable customers and to promote banking inclusion are properly implemented.

As in previous years, under the aegis of the Fragile or Vulnerable Customer Committee, the implementation of the recommendations of the OIB – Banque de France, the expectations of the public authorities and the recommendations of the ACPR resulting from the due diligence performed in 2019, 2020 and 2021 concerning vulnerable customers and the cap on bank fees continued.

Review of the changes with the greatest impact:

- a predictive vulnerability detection system, based on a statistical model, was rolled out in November 2022. Customers files identified this way are handed over to customer relationship managers, *via* the debtor management application, in order to implement the appropriate support measures;
- a network of vulnerable and fragile customer referents has been set up to meet the expectations of the joint ACPR-AMF unit: the referent, who is the main contact for the branches, helps to disseminate and implement good practices with regard to vulnerable and fragile customers (in particular, isolated vulnerable seniors, protected third parties), particularly concerning the marketing of financial savings. It also ensures that commercial and equipment proposals are in line with the needs of the customers concerned.

In 2022, as in previous years, Crédit Mutuel Alliance Fédérale entities concerned produced regulatory reports which included quantitative and qualitative data on fragile and vulnerable customers devoted to the ACPR (under the questionnaire on commercial practices and customer protection) and to the Observatory for Banking Inclusion.

f) Accessibility of banking services

In the context of regulations on the accessibility of establishments open to the public (ERPs) to persons with disabilities, a public accessibility register (RPA) exists in all branches in order to inform the public about the level of accessibility of the location as well as provisions made to allow all persons, especially those with disabilities, to benefit from branch services. In addition, Crédit Mutuel Alliance Fédérale has nearly 5,900 ATMs installed in all the regions where it operates, of which 97.6% are accessible to the visually impaired. Account statements in Braille are available.

Crédit Mutuel Alliance Fédérale has been committed for several years to an accessibility approach to make its sites and applications accessible to everyone, including seniors or people with disabilities or functional limitations, on any type of medium [computer, smartphone, tablet, etc.]. Thus, a remote interpretation service in sign language is available to hearing-impaired customers. Operators assist customers for free, by chat or by videoconference link with the services they need. Customers can use this assistance from the mobile app during discussions in the branch. Moreover, deaf or hearing-impaired customers with telephone Crédit Mutuel Alliance subscriptions can now take advantage of one free hour per month of translation, in accordance with regulations.

(1) TP: Transaction Processing – major applications used by the banking network.

Simultaneously, regular technology watch is conducted on technical devices and raising awareness about accessibility was incorporated into internal training courses taken by the teams in charge of IT development. Certain employees are now experts on accessibility. They help with projects at all stages, audit sites or applications upon request and process customer feedback. The level of accessibility of the creditmutuelalliancefederale.fr website is shown on the home page. In another area, Crédit Mutuel Alliance Fédérale respects the generic terms of primary banking fees and services defined in the Order of March 27, 2014, which aims at simplifying consumer access to fee-related information.

g) Processing of customer claims

Crédit Mutuel Alliance Fédérale offers its customers a three-level complaint processing system for filing a claim.

In the event of dissatisfaction, the customers are invited to contact:

- their advisor or the manager of their bank/branch (level 1) in order to find the solution best suited to their situation;
- the customer relationship department (level 2) if they are not satisfied with the answer provided at level 1;
- the mediator (level 3), only after all internal remedies have been investigated by the bank and provided that the dispute falls within its remit.

The means proposed for filing a complaint through levels 1 and 2 have been diversified since 2019: online form accessible after authentication *via* the online banking service, complete online form for non-holders of a remote banking contract, email, mail, face-to-face and single telephone number dedicated to complaints.

Comprehensive information on claims specifying the contacts persons, the means and possible remedies is provided to customers through:

- the claims page of the Crédit Mutuel and CIC websites;
- claim information leaflets available at branches.

The group has chosen a unique tool for entering and managing claims, which enables to monitor them and trace the audit information. Since December 2020, this tool uses the new classification system for claims, making it possible to precisely fill in the new ACPR Banking and Insurance questionnaires.

Customer satisfaction is a top priority in all circumstances, thereby reflecting Crédit Mutuel Alliance Fédérale's key focus on the continuous improvement of the customer claim process and monitoring. This is why in January 2019 Crédit Mutuel Alliance Fédérale created the "group complaints" department, which reports directly to the Deputy Chief Executive Officer of Crédit Mutuel and the Deputy Chief Executive Officer of CIC, in order to manage complaints and coordinate the customer relationship departments of the various entities. In early 2020, this system was strengthened by the creation of a Crédit Mutuel Alliance Fédérale Customer Claims Committee. The main mission of this committee is to define the actions to be implemented on the one hand based on a comprehensive qualitative and quantitative analysis of the claims, and on the other hand based on a summary of the areas of improvement identified in the processing of claims.

Lastly, since the end of April 2021, a satisfaction survey is sent to each customer at the end of their claim procedure in order to know what they think about the processing of their claim and how it could be improved.

h) Mediation process (SOT74 to SOT78)

Consumer mediation, in force since January 1, 2016, resulted in the introduction of a dedicated website, featuring the mediation mechanism and providing customers with online access [at the address: <https://www.lemediateur-creditmutuel.com>]. The mediator's annual report is also available to view. The mediator is registered on the list of mediators; the European Commission is notified by the Assessment and Mediation Control Commission.

In 2017, the group's mediator and the AMF's mediator signed an agreement giving customers the possibility of presenting any claim within the scope of the AMF to either the AMF mediator or the group mediator, with the understanding that the choice is irrevocable.

i) Integration of ESG criteria in the business lines (SOT88)

Sectoral policies

As a benefit corporation, Crédit Mutuel Alliance Fédérale wants to work for a fairer and more sustainable society. In this respect, the group wishes to strictly regulate transactions in sensitive sectors involving social and environmental risks. To ensure that these issues are taken into account in a responsible manner, it undertook to define sectoral policies that aim to determine a scope of intervention and to set criteria and principles for the exercise of its activities and thus contribute to the ecological transformation and social progress.

Since 2015, sectoral policies have been formalized to define the methods of intervention in the coal, hydrocarbon, mobility, defense and security, civil nuclear energy and mining sectors. All of these policies are regularly reviewed to take into account the various commitments made by Crédit Mutuel Alliance Fédérale, notably with a view to aligning its activities which aim to promote the fight against global warming.

This is the case of the hydrocarbon policy that was revised in 2022 and strengthened.

Analysis grids (either specific to a sector of activity or general for all sectors not subject to sectoral policies) integrate the extra-financial ratings of the counterparties analyzed (environmental, social and governance criteria) in the decisions to grant banking and financial operations.

In 2021, a pilot on the integration of ESG criteria in the decision to grant financing within the corporate network was launched with CIC Lyonnaise de Banque for companies with revenue of over €100 million. An application grid was drawn up including ESG criteria and criteria related to the various sectoral policies in order to analyze the ESG commitment of large medium-sized companies and large companies. The process was validated in 2022 and rolled out in the other CIC banks and BECM.

Other policies related to Private Banking, consumer loans, purchasing and supplier relations and even the commitment policy supporting fragile or vulnerable customers complete this list. They can all be consulted on Crédit Mutuel, CIC and Crédit Mutuel Alliance Fédérale websites.

Project financing^[1]

CIC has an internal assessment methodology based on the Equator Principles classification scale:

- category A projects – Projects presenting serious potential adverse environmental and social risks, and/or likely to generate mixed, irreversible and unprecedented impacts. These projects are subject to stricter environmental and social due diligence. The objective of the assessment process is to analyze the environmental and social impacts and risks associated with the proposed project, and to propose measures to minimize, mitigate and compensate the risks and adverse impacts in a manner that is relevant and appropriate to the nature and scale of the proposed project;
- category B projects – Projects presenting limited negative social or environmental impacts, less numerous, generally specific to one site, largely reversible and easy to address with mitigation measures;
- category C projects – Projects presenting minimal or no negative social or environmental impacts.

Any new project financing is subject to external due diligence, including a component relating to its environmental impact. The latter is also monitored as part of the annual portfolio review.

Projects are selected on the basis of a set of criteria including social, environmental and mutualist criteria, depending on the business segments and countries selected. Much attention is thus paid to criteria of social utility [for example, the more or less strategic nature of the project for a country, the alignment of the interests of the various stakeholders, the overall economic rationality], local acceptability [for example, known opposition from environmental groups or the local population, noise pollution, impact on the landscape, etc.] and compliance with environmental criteria [compliance with current and foreseeable standards].

In the energy segment, CIC supports its customers in financing the energy transition and is committed to reducing greenhouse gas emissions through its financing choices.

With regard to the fight against corruption, the outflow which takes place after the successful completion of KYC procedures, and upon certification issued by a trusted third party (independent technical expert), is an effective way of keeping expenditure compliance under control. The department's internal strategy is to focus on sectors with which it is familiar [CC1] and whose collective utility is based on meeting basic needs (supply or production of energy, means of communication, telecommunication, public service concessions).

The department typically funds projects in countries where the political and solvency risks are contained (*i.e.* "designated countries" within the meaning of the Equator Principles). When the department intervenes in the most fragile countries, both politically and in terms of environmental standards, it is in consideration of the project's economic necessity and in participation with banks that have signed the Equator Principles or multilateral bodies. In each of these projects, the social and environmental impacts are not only taken into account when the operation is chosen, but also throughout the life of the project (for

example: obligation of monitoring the construction phase and its environmental impact by an independent engineer if the size of the project warrants it, contractual obligation of the borrower to comply with standards and any changes to them throughout the life of the project).

Private Equity and ESG criteria

Crédit Mutuel Equity's social responsibility, which covers all of Private Equity's activities, is an integral part of its investment policy, which was enhanced during the year. As part of the strengthening of this approach, Crédit Mutuel Equity has developed an assessment method and an analysis tool to support the transformation of the companies in its portfolio on ESG issues. The result of this ESG analysis is an integral part of the file sent to the Investment Committee and must receive the prior opinion of the Director in charge of ESG missions. The areas for improvement identified and the action plan defined in consultation with the management team are monitored throughout the period of ownership.

To complete this process, an ESG committee may be asked for an opinion to be formalized according to a need for clarification or a prior position to be taken due to a sensitive sector of activity, a significant ESG dispute identified, or any other issue that calls into question the investment opportunity in its ESG dimension.

Committed to a harmonious regional development approach, Crédit Mutuel Capital Privé has adopted a responsible investor charter in line with the ambitions of Crédit Mutuel Equity and the SMR commitments of Crédit Mutuel Alliance Fédérale. In accordance with the provisions of Articles 3 and 4 of the SFDR Disclosure Regulation, Crédit Mutuel Capital Privé publishes on its website its policy on the integration of sustainability risks in the investment process.

Responsible and sustainable finance

On March 10, 2020, the European SFDR regulation came into force, requiring asset managers to provide information on the environmental, social and governance risks of their investments, and their impact on society and the planet. The funds are classified in one of the three categories, Articles 6, 8 or 9, depending on the sustainability objective:

- Article 6: transparency article, with the prospectus specifying whether or not the fund includes sustainability risk;
- Article 8: products that promote environmental and social sustainability by integrating sustainability in a binding way;
- Article 9: impact funds that set non-financial objectives (sustainable investment or reduction of carbon emissions).

This regulation aims to provide greater transparency and a comparison grid for the offering of investment funds, in terms of their ESG approach. In this way, investors can more easily identify products and have access to non-financial documentation with minimum standards at European level.

For asset management companies, the implementation of the SFDR regulation is an opportunity to confirm their commitments and strong actions to promote responsible finance.

[1] "Project funding" is understood here as a very specific category of corporate financing, called specialized financing (defined in particular by Article 147.8 of European Regulation No. 575/2013) and which meets very specific criteria. These criteria, such as approved by the ACPR in October 2012, are used to set eligibility for deals in CIC Financements de projets (Project Financing portfolio).

Responsible investment is being gradually extended to all Crédit Mutuel Asset Management's activities, through an ESG integration system for most funds and an SRI approach for a range of funds specifically designed for customers. Today, it aims for the majority of its open-ended funds to comply with the criteria of Article 8 or Article 9 of the European SFDR regulation.

Groupe La Française is pursuing its strategic ambition of having a range of funds open to the market that are 100% sustainable. Each division of Groupe La Française, financial assets or real estate, classifies more than half of its assets in Article 8 or 9 SFDR, *i.e.* in funds that respect sustainability criteria or set environmental or social performance objectives.

BLI – Banque de Luxembourg Investments has strengthened the place of ESG within its investment solutions offering. The classification provided by the SFDR regulation is part of this dynamic and formalizes existing practices. Several funds in the BLI range already meet the requirements of Article 8 or 9 of the SFDR regulations. The objective is to bring most of the range up to these classifications in the long term.

2/ In the relationship with subcontractors and suppliers (SOT81)

a) Group purchasing policy

A purchasing policy applies to all purchases by entities of Crédit Mutuel Alliance Fédérale.

The purchasing of goods and/or services is an act of management and is part of the operational implementation of the group's strategy. This policy incorporates economic, quality and respect of technical requirements criteria as well as ESG factors.

All contracts with suppliers and/or service providers include a clause dedicated to respect for provisions in force in terms of labor law. In the context of the charter of supplier relations, suppliers and/or service providers are committed to respecting the reference texts on human rights and labor law.

Other measures supplement this policy and promote responsible behavior by suppliers and/or service providers. Thus, the group favors relationships with suppliers and/or service providers, though equal on the technical and financial services level, which adopt an environmental approach that incorporates ESG criteria and which respect a social policy combating discrimination.

b) Charter on supplier and service provider relations for sustainable procurement

This charter describes all of the commitments, notably in terms of human rights, vigilance (access to the option to report) and the fight against corruption, to be respected by suppliers and service providers contracting with one or more Crédit Mutuel Alliance Fédérale entities including those of CIC. Particular attention is paid to respecting best practices in professional ethics and in particular to strictly respecting principles pertaining to corruption under any form, notably concerning practices in terms of gifts and other benefits.

c) Supplier professions centers

A large part of purchases is done by the group's supplier professions centers, such as CCS, SOFEDIS and Euro-Information.

Incorporation of CSR criteria in the relationship of CCS's general resources department with suppliers is materialized by:

- inclusion of the company's obligations of vigilance and CSR policy in drafting specifications for a bidding process;
- existence of an analysis grid for responses to bid solicitation, which prescribes the weight of responses by companies on environmental and social aspects in the overall rating by type of activity (household, recycling, hospitality);
- incorporating into the program reviews of accounts that monitor and audit social aspects under the French Labor Code (especially in the context of combating undeclared labor);
- inclusion of *ad hoc* paragraphs on CSR aspects in standard contracts;
- annual obligation for all managers in the central services sector having decision-making authority regarding suppliers, to declare gifts of any amount whatsoever.

The management of the supplier relationship within the Euro-Information structure is part of the ISO 9001 V2015-certified Quality processes monitored and audited by AFNOR. In addition, this process also falls within the scope of the ISO 27001 Information Security Management System certification.

In addition, a Supplier Monitoring Committee ensures:

- the implementation and updating of procedures for entering into relations with suppliers;
- the monitoring thereof;
- the recovery of ratings (contract quality and quality of services) for essential and sensitive suppliers;
- the gathering of "financial ratings" for essential and sensitive suppliers established in France and expanded to foreign suppliers in 2019;
- the gathering/updating of CSR reports from service providers (the signing of the supplier charter replacing the collection of these documents for other suppliers since 2020);
- the consistency of practices used within other Euro-Information subsidiaries, *i.e.* EIS, EPS, ETVS, EP3C and EIDS, for any specific purchases.

The legal, purchasing, operational risks, periodic control and permanent control teams are represented on the Suppliers Monitoring Committee, with a person from the Euro-Information internal audit department as a regular guest. Euro-Information's management is informed of the "Suppliers follow-up" Committee. A form is used to rate the quality of the service. Since 2020, it has included escalation criteria and/or action plans to be carried out based on the scores obtained.

As part of the process of identifying services, CSR reputation risk and the risk of CSR non-compliance (in connection with sectoral policies) have also been included in the risk analysis since 2020. Financial and quality ratings are carried out each year. Euro TVS, subsidiary of Euro-Information, dedicated to the digitalization and computer processing of documents and means of payment, also introduced environmental management and is certified ISO 14001.

3/ In the relationship with employees

Relationships based on ethics and the code of conduct

Crédit Mutuel Alliance Fédérale promotes certain values and principles such as solidarity, freedom, responsibility and protection of the environment, and asserts its commitments as well as the rules of good behavior and good conduct resulting from them.

This culture which is common to all employees is implemented across a set of actions involving:

- the fundamental principles in terms of rules of good conduct, which are set out in the internal rules and its three appendices, including the code of ethics;
- the code of conduct, amended on December 5, 2019. It sets the rules and principles to be followed by all employees, including those of CIC, in the performance of their duties and highlights the group's values and commitments:
 - acting as a socially responsible company, for a more united society, committed to the preservation of the environment,
 - fighting against discrimination and promoting gender equality and diversity,
 - listening to customers, advising them, helping them with their projects and difficulties,
 - supporting fragile customers,
 - establishing ethical governance of personal data,
 - fighting against tax fraud and corruption;
- the report on the application of the code of conduct is intended for branch managers as well as a certain number of heads of Crédit Mutuel Alliance Fédérale's head offices and business lines. Since 2020, its scope has been extended to all Crédit Mutuel Alliance Fédérale entities in France and abroad. The dedicated ETHIK tool was enriched in 2021 with a focus on a different theme each year. For 2022, the focus was on climate and environmental protection;
- Crédit Mutuel Alliance Fédérale's training program complements and enhances the culture of employees in terms of respect for human rights, in particular:
 - the new ethics module, intended for all employees, rolled out since 2022,
 - the "Work well together/fight discrimination" module,
 - the modules on "invisible disability".

Measures implemented

There are multiple procedures and preventive measures depending on the type of risk (infringement of Human Rights, risk to the environment and health and safety risks) that employees may suffer or that they may cause in the context of their activity.

a) Prevention of infringement to employees' rights and measures put in place:

- violence and harassment: internal rules and the "charter on preventing and fighting harassment and violence in the group";
- health and safety: CSSCT (Health, Safety and Working Conditions Committee), occupational physician, signing of a framework agreement on quality of life at work in October 2020, etc.;
- group agreement on supporting employees in the use of digital tools and the right to disconnect;
- incivilities: procedure for combating incivilities and INCIV application;
- assaults and hold-ups: "armed robbery" procedure;
- trade union freedoms: the group's agreement on union negotiations, the bank's collective agreement, etc.;
- labor law: labor legislation, the bank's collective agreement, etc.;
- right to notify: "Option to report" procedure;
- protection of personal data: the group's code of conduct, procedures pertaining to CNIL;
- protection of private life: protocols for recordings and phone tapping, protocol for video surveillance, GDPR, etc.;
- corruption and influence peddling: the group's internal anti-corruption mechanism;
- fight against discrimination: charter on the fight against discrimination, the promotion of diversity and the inclusion and retention in employment of workers with disabilities within the group.

b) Prevention of direct environmental impact generated by the activity of employees within the company

Crédit Mutuel Alliance Fédérale is committed to its 2019-2023 *ensemble#nouveau monde, plus vite, plus loin!* [together#today's world, faster, further!] strategic plan to reduce its internal carbon footprint in France by 30%⁽¹⁾. Accordingly, a methodical energy management approach was put in place (ISO 50001 certification issued by AFNOR in 2020 and confirmed in 2021). Based on its activity, the prevention measures essentially address reduction of paper consumption and waste recycling:

- paper waste: dematerialization of numerous documents (simulation of credit or estimates and subscription to products online, electronic signature, electronic messaging, etc.);
- waste management: collection of used printer cartridges procedure, selective sorting mechanism (paper recycling, recovery of used batteries, etc.);
- reduction of digital consumption: The 4th Eco Clean Up Week in 2022 resulted in the deletion of more than 180 million digital files for approximately 22.5 million MB, the equivalent of 427 metric tons of CO₂.

(1) Office life scope. Energy, refrigerant gas leaks, business travel and motor fleet items.

3.11.3.4 Option to report (SOT109)

The “Option to report” is an occupational warning system available to internal, external or occasional staff, which encourages them, in addition to the entity’s normal warning methods, to report to their employer any serious failure to respect professional or legal obligations.

Reporting extends to all areas (corruption, fraud, etc.), particularly to human rights and fundamental freedoms, personal health and safety as well as the environment.

In accordance with rules and regulations, this procedure guarantees strict confidentiality of the identity of the originators and of persons targeted by the reporting. The whistleblower runs no risk of sanction when the reporting is done in good faith. In addition, it provides the possibility of recourse to external authorities (AMF, ACPR, etc.) or judicial authorities, or even to the media in the event of an emergency situation. This mechanism is overseen by the compliance department and, since 2022, by the Group HR department, which ensure regular reporting.

3.11.3.5 Monitoring mechanism

Monitoring actions that have been implemented hinge on all the indicators and on the collection of figures touching on the previously mentioned themes.^[1]

Assessment of the application of the 2021 ETHER code of conduct

The 2022 assessment saw sustained participation of 98.1% of the 3,963 managers involved, with a slight increase [97.8% in 2021]. It verified that the rules of good conduct set out in the code of conduct were respected, with ratings ranging from 4.4 to 4.9 on an increasing scale from 0 to 5 and an overall stable average of 4.7 out of 5. It highlighted the relative difficulties regarding implementation that could be encountered on certain themes such as protection and respect for the environment or training (adequacy and management of agendas) and enabled to identify possible areas for improvement.

The rules discussed in the report are as follows:

- respect for people;
- gender balance and openness;
- protection and respect for the environment;
- duty of good management;
- duty of confidentiality and data protection;
- duty of reserve;
- duty of training;
- conflicts of interest and independence of elected members;
- respect of values and texts.

In addition, a focus makes it possible to develop a theme related to one of these rules. For 2022, it is dedicated to climate and environmental protection.

Monitoring of self-training modules

In addition, in 2022, Crédit Mutuel Alliance Fédérale employees completed 86% of e-learning courses on professional ethics, in which the fight against corruption is mentioned (SOT104). In addition, with regard to the fight against money laundering and the financing of terrorism, 81% of the first-level training courses and 90% of the in-depth training courses were completed by Crédit Mutuel Alliance Fédérale employees.

94% of employees enrolled in a training module on preventing discrimination and promoting diversity completed their training in 2022.

Processing of claims and mediation

The group’s system for processing claims enables customers to submit all types of claims, whether they concern the operation of accounts, savings or non-financial matters.

For the 14 federations belonging to Caisse Fédérale de Crédit Mutuel and to CIC banks, the number of claims totaled 39,108 in 2022. Claims handled by level 2 represent 0.57 claims per 1,000 customers.

Fragile customers

The quarterly monitoring carried out by Crédit Mutuel Alliance Fédérale lists the number of third parties identified and the number of packages subscribed. In 2022, the number of customers benefiting from the basic banking offer was 20,733 and the number of customers equipped with the fragile customer offer (OCF) amounted to 53,041.

Other indicators (non-exhaustive list)

Supplier charter

4,033 charters were signed by CCS suppliers and more than 220 by Euro-Information suppliers (SOT100) at the end of December 2022.

Project financing

Among the 31 projects financed in 2021, 25 are classified in category B, six in category C and none in category A.

SRI

Overall and according to the classifications of the European SFDR regulation, Crédit Mutuel Asset Management’s outstandings break down as follows at December 31, 2022:

- Art. 9 funds – Class AMF I: €196 million;
- Art. 8 funds – Class AMF I and II: €58,410 million.

These classifications represented 84.4% of Crédit Mutuel Asset Management’s outstandings at December 31, 2022.

Concerning groupe La Française, funds classified under Article 9 and Article 8 represent respectively €17.2 billion and €6 billion, *i.e.* 51% of La Française’s assets.

For funds managed by BLI (Banque de Luxembourg Investments), outstandings with the BLI label amounted to €5.4 billion.

The assets under management with BLI break down as follows at December 31:

- Art. 9 funds: 78 million;
- Art. 8 funds: 12.9 million.

[1] The monitoring indicator, overseen by the compliance department, is verified by an independent third party, but not published for reasons of confidentiality.

3.11.4 Report on the effective implementation of the vigilance plan

The SMR team of the risk department draws up the vigilance plan and its monitoring system in conjunction with the various stakeholders: compliance department, business centers, etc. The vigilance plan and its report are included in group risk management and monitoring system.

In 2022, Crédit Mutuel Alliance Fédérale continued to strengthen its risk prevention, mitigation and management systems.

In the relationship with customers, the main measures concern risk management in the business lines:

- the deployment of a grid incorporating ESG criteria for financing requests from companies in the GME/GE corporate market of the banking network;
- the review of the hydrocarbon sectoral policy applicable from January 1, 2023;
- the launch of work to define the group's commitment to biodiversity conservation.

In the relationship with employees, the actions carried out were as follows:

- in terms of the code of conduct: Since 2021, the ETHIK application is available in five languages (French, English, Spanish, German and Belgian Dutch). Since 2021, additional questions are asked on a different topic each year, related to one of the rules of conduct. In 2022, the focus of the ETHIK assessment was on climate and environmental protection;
- e-learning training for all employees to prevent discrimination and promote diversity;
- the creation of the Group Disability mission attached to the diversity, inclusion and commitment division of the human resources department of Crédit Mutuel Alliance Fédérale. Supported by internal contacts throughout the country, the local disability referents, it aims to steer the group's disability policy and ensure the proper application of the agreement in favor of disabled employees and employees who are close caregivers signed in December 2021;

- the signing of the framework agreement on equal pay for men and women in order to accelerate the process of correcting any collective wage gaps between women and men;
- the signing of an amendment to the group agreement which improves the provident and health insurance scheme;
- the signing of an amendment to the agreement on trade union rights in companies covered by the group agreement, which enhances the existing provisions concerning the promotion and recognition of the role of trade unions and staff representative bodies in their respective areas of responsibility, their contribution to social dialog and, more generally, their role as stakeholders in the life of Crédit Mutuel Alliance Fédérale, the promotion of skills acquired during their term of office and their inclusion in their career development, and the anticipation of career development after the end of the term of office.

In the relationship with subcontractors and suppliers:

- continuation of work aimed at making the legal data of suppliers and subcontractors more reliable and improving our knowledge of them (KYS). The objective is to set up a single purchasing process for all the purchasing departments of Crédit Mutuel Alliance Fédérale with a dedicated tool for entering into relationships with suppliers;
- at the level of Euro-Information: implementation of work to improve analyzes, controls and reporting on supplier contracts and strengthening of its supplier Monitoring Committee;
- at the CCS level with better consideration of the CSR policy of invisible suppliers^[1] at each stage of the relationship: in the drafting of specifications [e.g. daytime cleaning], during calls for tenders (quotation of CSR criteria in responses), during account reviews (item "evolution of the supplier's CSR policy" included in the standard agenda).

DOCUMENTS AVAILABLE ON THE INTERNET

Title	Ref/link
Law No. 2017-399 of March 27, 2017 pertaining to the responsibility of parent companies and initiating companies	https://www.legifrance.gouv.fr/eli/loi/2017/03/27/2017-399/jo/texte
Sectoral policies	https://www.bfcm.creditmutuel.fr/fr/rsm/politiques-sectorielles/index.html

[1] Invisible workers who appeared essential to the life of the country during the Covid-19 crisis.

3.12 METHODOLOGICAL NOTE

For details regarding the composition of the sub-groups, please refer to the reports published by the reporting entities.

The technology division includes the following entities: Euro-Information Services, Euro-Information, Euro-Information Production, Euro-Information Développements, Euro-Protection Surveillance.

The press division includes the following entities: Affiches d'Alsace Lorraine; Alsacienne de Portage DNA; Est Bourgogne Médias; groupe Républicain Lorrain Imprimerie (GRLI); groupe Dauphiné Média, groupe

Progrès; *La Liberté de l'Est*; *La Tribune*; *le Dauphiné Libéré*; *Le Républicain Lorrain*; *Les Dernières Nouvelles d'Alsace*; *L'Est Républicain*; Médiaportage; Presse Diffusion; Publiprint Province no. 1; Républicain Lorrain – TV news; Républicain Lorrain Communication; SAP Alsace; SCI Le Progrès Confluence; Société d'édition de l'hebdomadaire du Louhannais et du Jura (SEHLJ); Société d'investissements Médias (SIM), Ebra Events, Ebra Media Alsace, Ebra Media Lorraine Franche Comté, Ebra Services, AGIR, Ebra Productions, Est Info TV, Les éditions du Quotidien.

3.12.1 Indicator scope

Unless otherwise specified in the report and in the table below, all indicators are collected and consolidated for the entire reference scope (see appendix).

Theme	Indicator	Methodological note
SOC01bis	PPH workforce	Data are missing for: CIC foreign subsidiaries except Banque du Luxembourg and Banque du Luxembourg Investments
SOC13	Recruitment: Total number of hires	
SOC19 SOC 20	Number of employees with open-ended contracts that quit the organization	
SOC38	Total number of working days of absence	
SOC46	Payroll invested in training	
SOC48	Number of employees who received training	
SOC50	Training: Total number of hours	Missing data for certain press entities
SOC107	Total gross annual compensation (<i>in €</i>) of open-ended contract employees	
SOC108	Total gross annual compensation (<i>in €</i>) – non-managerial open-ended contracts	
SOC109	Total gross annual compensation (<i>in €</i>) – managerial open-ended contracts	
GOUV14	Number of new elected directors of local banks	This indicator concerns: the 14 Crédit Mutuel Alliance Fédérale federations
GOUV15	Number of new elected women directors – local banks	
GOUV56	Training hours provided to directors (federation level; Alliance Fédérale except Crédit Mutuel Normandie)	
SOT27	Amount of loans on preferential terms (< €3,000) granted	This indicator concerns: the 14 Crédit Mutuel Alliance Fédérale federations TARGOBANK in Germany Cofidis France
SOT28	SRI assets under management	Crédit Mutuel Asset Management data
SOT28 BASE	Assets under management by the management company	
SOT37	Assets under management in socially responsible employee savings plans	
SOT40	Number of NPO customers (associations, labor organizations, works councils, etc.)	This indicator concerns: the 14 Crédit Mutuel Alliance Fédérale federations CIC regional banks in France BECM Banque Transatlantique
SOT52	Total budget dedicated to patronage and sponsorship*	This indicator concerns: the 14 Crédit Mutuel Alliance Fédérale federations CIC excluding foreign subsidiaries except Banque du Luxembourg and Banque du Luxembourg Investment

* This indicator may include budgets allocated in 2022, but not fully disbursed over the year.

The measurement and reporting methodology, developed in 2006, has been progressively extended to cover the entire banking-insurance scope of Crédit Mutuel Alliance Fédérale. The corresponding indicators underwent an in-depth revision in 2018 in order to make the collection procedure more reliable with all the correspondents of the group. This methodology organizes the rules for collecting, calculating and consolidating indicators, their scope, and the controls performed. It is intended for the national collectors of Crédit Mutuel Alliance Fédérale federations and subsidiaries contributing to reporting. It formalizes the audit pattern for both internal and external audits.

3.12.2 Scope of entities

The scope taken into account for the NFPS is detailed below:

Level	Company	Level	Company	
ACM	ACM Courtage	CIC	Crédit Industriel et Commercial	
	ACM GIE		CIC Est	
	ACM IARD		CIC Lyonnaise de Banque	
	ACM SERVICES		CIC Nord Ouest	
	ACM Vie SAM		CIC Ouest	
	ACM Vie SA		CIC Sud Ouest	
	Agrupacio AMCI d'Assegurances I Reassegurances		Banque de Luxembourg	
	Agrupacio Serveis Administratius		Banque de Luxembourg Investments SA (BLI)	
	AMDIF		Banque Transatlantique (BT)	
	Asesoramiento en Seguros y Prevision Atlantis		CIC Conseil	
	Assistencia Avancada Barcelona		Crédit Mutuel Épargne Salariale	
	Atlantis Asesores		Crédit Mutuel Factoring	
	Atlantis Correduria de Seguros y Consultoria Actuarial		Crédit Mutuel Leasing	
	ATLANTIS VIDA, Compañia de Seguros y Reaseguros		Crédit Mutuel Real Estate Lease	
	GACM ESPAÑA		Crédit Mutuel Capital	
	GACM Seguros Generales Compañia De Seguros Y Reaseguros		Crédit Mutuel Equity	
	Groupe des Assurances du Crédit Mutuel (GACM)		Crédit Mutuel Equity SCR	
	ICM Life		Crédit Mutuel Innovation	
	MTRL		Dubly Transatlantique Gestion	
	NELB (North Europe Life Belgium)		COFIDIS	Cofidis Belgium
	Partners			Cofidis Espagne
	Serenis Assurances			Cofidis France
	Targopensiones entidad gestora de fondos de pensiones			Cofidis Hongrie
	Cofidis Italie			
	Cofidis Portugal			
	Cofidis République Tchèque			
	Cofidis SA Pologne			
	Cofidis SA Slovaquie			
	Creatis			
	Monobanq			
	Synergie			
	Euro-Information	Euro-Information Production		
		Euro-Protection Surveillance		
		Euro-Information		
		Euro-Information Développements		
		Euro-Information Services		

Level	Company
Federations	Caisse Fédérale de Crédit Mutuel (CFCM)
	Caisse Régionale de Crédit Mutuel Anjou (CMA)
	Caisse Régionale du Crédit Mutuel Antilles-Guyane (CMAG)
	Caisse Régionale du Crédit Mutuel Centre (CMC)
	Caisse Régionale du Crédit Mutuel Dauphiné-Vivaraïs (CMDV)
	Caisse Régionale du Crédit Mutuel de Savoie-Mont Blanc (CMSMB)
	Caisse Régionale du Crédit Mutuel Île-de-France (CMIDF)
	Caisse régionale du Crédit Mutuel Loire-Atlantique Centre-Ouest (CMLACO)
	Caisse Régionale du Crédit Mutuel Massif Central (CMMC)
	Caisse Régionale du Crédit Mutuel Méditerranéen (CMM)
	Caisse Régionale du Crédit Mutuel Midi-Atlantique (CMMA)
	Caisse Régionale du Crédit Mutuel Nord Europe (CMNE)
	Caisse Régionale du Crédit Mutuel Normandie (CMN)
	Caisse Régionale du Crédit Mutuel Sud-Est (CMSE)
	Direction Régionale Bourgogne Champagne (DRBC), CMCEE
	Direction Régionale Nord (DRN), CMCEE
	Direction Régionale Ouest (DRO), CMCEE
	Direction Régionale Sud (DRS), CMCEE
	Crédit Mutuel banks that are members of the Fédération du Crédit Mutuel Anjou (CMA)
	Crédit Mutuel banks that are members of the Fédération du Crédit Mutuel Antilles-Guyane (CMAG)
Crédit Mutuel banks that are members of the Fédération du Crédit Mutuel Centre (CMC)	
Crédit Mutuel banks that are members of the Fédération du Crédit Mutuel Centre Est Europe (CMCEE)	

Level	Company
	Crédit Mutuel banks that are members of the Fédération du Crédit Mutuel Dauphiné-Vivaraïs (CMVD)
	Crédit Mutuel banks that are members of the Fédération du Crédit Mutuel Île-de-France (CMIDF)
	Crédit Mutuel banks that are members of the Fédération du Crédit Mutuel Loire-Atlantique Centre-Ouest (CMLACO)
	Fédération du Crédit Mutuel Massif Central (CMMC)
	Fédération du Crédit Mutuel Méditerranéen (CMM)
	Fédération du Crédit Mutuel Midi-Atlantique (CMMA)
	Fédération du Crédit Mutuel Nord Europe (CMNE)
	Fédération du Crédit Mutuel Normandie (CMN)
	Fédération du Crédit Mutuel du Sud-Est (CMSE)
	Crédit Mutuel banks that are members of the Fédération du Crédit Mutuel de Savoie-Mont Blanc (CMSMB)
	Fédération du Crédit Mutuel Anjou (CMA)
	Fédération du Crédit Mutuel Antilles-Guyane (CMAG)
	Fédération du Crédit Mutuel Centre (CMC)
	Fédération du Crédit Mutuel Centre Est Europe (CMCEE)
	Fédération du Crédit Mutuel Dauphiné-Vivaraïs (CMDV)
	Fédération du Crédit Mutuel de Savoie-Mont Blanc (CMSMB)
	Fédération du Crédit Mutuel Île-de-France (CMIDF)
	Fédération du Crédit Mutuel Loire-Atlantique Centre Ouest (CMLACO)
	Fédération du Crédit Mutuel Massif Central (CMMC)
	Fédération du Crédit Mutuel Méditerranée (CMM)
	Fédération du Crédit Mutuel Midi-Atlantique (CMMA)
	Fédération du Crédit Mutuel Nord Europe (CMNE)
	Fédération du Crédit Mutuel Normandie (CMN)
	Fédération du Crédit Mutuel Sud-Est (CMSE)

Level	Company	Level	Company
Subsidiaries	Bail Actéa	Press	Affiches d'Alsace Lorraine
	Bail Actéa Immobilier		Alsacienne de Portage – DNA
	Banque Européenne du Crédit Mutuel (BECM)		Est Bourgogne Média
	Banque Fédérative du Crédit Mutuel (BFCM)		Groupe Républicain Lorrain Imprimeries (GRLI)
	BECM Francfort		Groupe Dauphiné Media
	Beobank		Groupe Progrès
	CCLS		La Liberté de l'Est
	Centre de Conseil et de Service		La Tribune
	Crédit Mutuel Asset Management		Le Dauphiné Libéré
	Crédit Mutuel Caution Habitat		Le Républicain Lorrain
	Crédit Mutuel Gestion		Les Dernières Nouvelles d'Alsace
	Crédit Mutuel Immobilier		L'Est Républicain
	FactoFrance		Média portage
	Groupe La Française		Presse Diffusion
	La Française AM		Publprint Province no. 1
	La Française AM Finance Services		SAP Alsace
	La Française Group UK Finance Limited		SCI Le Progrès Confluence
	La Française Real Estate Managers		Société d'édition de l'hebdomadaire du Louhannais et du Jura (SEHLJ)
	La Française Sytematic Asset Management GmbH		Ebra Events
	New Alpha Asset Management		Ebra Médias Alsace
	Targo Deutschland GmbH		Ebra services
	Targo Dienstleistungs GmbH		Ebra Médias Lorraine Franche Comté
	Targo Factoring GmbH		Société d'Investissements Médias (SIM)
	Targo Finanzberatung GmbH		AGIR
	Targo Technology GmbH		EBRA Productions
	Targo Leasing GmbH		Est Info TV
	TARGOBANK AG		Les Éditions du Quotidien
	TARGOBANK Spain		

3.12.3 Main management rules

The 2022 data collection process began in September 2021 in order to mobilize all the departments concerned and organize reporting levels and consistency checks. Data collection was broken down into the search for qualitative and quantitative information.

The CSR indicators selected are based notably on:

- Article 225 of the Grenelle 2 law;
- greenhouse gas assessments;
- Order No. 2011-829 of July 11, 2011;
- the mutualist reporting;
- the “Energy Transition law for Green Growth”, passed on August 18, 2015;
- Article 173 of the Energy Transition law enacted on December 31, 2015;
- the transposition of Directive No. 2014/95/EU of the European Parliament and of the Council of October 22, 2014 amending Directive No. 2013/34/EU as regards disclosure of non-financial and diversity information [Order No. 2017-1180 of July 19, 2017 and Order No. 2017-1265 of August 9, 2017];
- the Sapin 2 Law on anticorruption adopted on November 8, 2016;
- the “duty of diligence” law adopted on February 21, 2017.

Governance indicators

Some of these indicators concern the mutualist governance of the group and the network of local banks. Most of this data is collected from a computer database used to manage elected-member offices and functions (entered by Crédit Mutuel local bank managers as corporate changes are made to their boards) and from mutualist reporting (entered into an application by bank managers between mid-January and the end of February to report on corporate actions and events carried out during the previous year). Other data, notably that which is related to membership, are supplied by the group management-control information system.

Social indicators

The workforce data relates to the salaried employees, natural persons, on the payroll as at December 31, excluding trainees, temporary workers and external service providers. The data relating to days of absence includes all the absences of employees under permanent and short-term contracts and those on work-study programs in respect of the following: indemnified sick leave, non-indemnified sick leave, sick leave without a medical certificate, workplace accidents, special leave, leave to care for a sick child, prolonged unpaid leave (more than one month), sabbatical leave and work inability leave. It does not include paid leave or days off under collective agreements (compensatory time, seniority, marriage, etc.) or maternity or paternity leave. Lastly, the percentage of payroll expense spent on training does not include Fongecif subsidies. Regarding the group’s French entities, the training indicators include the hours of face-to-face training and the online hours prerequisite for face-to-face hours. As of fiscal year 2018, the number e-learning training hours are also counted.

Societal indicators

Most of the social indicators come from the group “management control” information system. The criteria and parameters are computerized to ensure greater reliability and traceability of the information provided. On the other hand, the social indicators are for the most part supplemented by qualitative indicators underscoring the actions carried out by Crédit Mutuel Alliance Fédérale entities in their respective region.

Environmental indicators

Given the nature of the group’s activities, noise, soil and other forms of pollution from discharges into the air, water and soil which seriously affect the environment at its operating sites do not appear to be significant. In addition, the group does not have a major impact on biodiversity. However, these aspects have been reintegrated into its overall CSR approach but are not included in this report. Crédit Mutuel has not recognized any provisions in its accounts in respect of environmental risk.

As information on the monitoring of energy and water consumption is not available for all Crédit Mutuel Alliance Fédérale branches, a CCS Consulting and Services Center has developed a calculation system for estimating this consumption when necessary.

For foreign entities that are not integrated into the group’s IT system, data was collected manually and then imported into the CSR consolidation application. This mainly concerns the press, the non-French entities of Cofidis group, the non-French entities of GACM, TARGOBANK in Germany and TARGOBANK in Spain.

Most of the consumption data reported for Crédit Mutuel Alliance Fédérale (networks, head offices and subsidiaries) are taken from water and energy bills:

- consumption of hot and cold water supplied by urban networks was gathered from data provided by suppliers;
- electricity and gas consumption: consumption data were provided by suppliers. Only the data concerning control rooms are still entered manually into the CONSOS collection tool and an extrapolation made for water consumption and other energies;
- consumption of water and other energies: as information relating to the monitoring of the consumption of certain forms of energy and water consumptions is not available for all buildings, a calculation system was deployed by CCS making it possible to estimate consumption levels when necessary.

This information is extrapolated to complete:

- missing monthly consumption data (in proportion to the number of months entered in the CONSOS tool),
- consumption data missing from some meters (average consumption at m² multiplied by the surface area of the building). In most cases, published data covers the period from November 1, 2018 to June 30, 2019; the data collection period was changed in 2019 to enable better coverage to be ensured;

- consumption of paper for internal use: this is the combination of information provided by Sofedis (the central purchasing agency of Crédit Mutuel Alliance Fédérale), CCS for reprographics, as well as external suppliers if necessary and the service in charge of magazine subscriptions for Crédit Mutuel Alliance Fédérale;
- consumption of paper for external use: apart from Sofedis data, information transmitted by entities of the group's IT sector is taken into account: Euro-Information Production and Euro P3C (consignments of checkbooks, credit cards and bank statements) and other suppliers, particularly for the preparation of documents for communication purposes;
- travel: the number of kilometers travelled by motor fleets and the number of liters of diesel fuel and gasoline consumed by those fleets are estimated based on the information provided by CCS in charge of fleet management, on the basis of data obtained from fuel payment cards or on the basis of the internal monitoring of the consuming entities.

Fifty two indicators are subject to a publication review, a data audit (on-site or remote) based on analytical reviews, substantiation tests on a sampling basis, comparison with sector performance ratios, interviews and an insurance report testifying to the existence of the information and expressing an opinion on its fairness, issued by the statutory auditors designated as an independent third party. These indicators mainly concern the entire reference scope, except for certain specific indicators, as detailed in the table below.

3.13 INFORMATION ON REGULATORY REQUIREMENTS

Information on the recently treated topics under the NFPS and excluded from the cross-reference table:

- fight against food insecurity: not applicable;

- animal welfare and responsible, fair and sustainable nutrition: not applicable;

Presentation of the business model	3.2.2 – Crédit Mutuel Alliance Fédérale's business model
Presentation of the main non-financial risks	3.3 – Non-financial risks and opportunities of Crédit Mutuel Alliance
Presentation of policies and indicators	3.2.4 – Governance and strategic orientation of SMR

3.14 REPORT OF THE INDEPENDENT THIRD PARTY ON THE VERIFICATION OF THE CONSOLIDATED NON-FINANCIAL PERFORMANCE STATEMENT

Year ended December 31, 2022

To the Shareholders' Meeting

In our capacity as an independent third party ("third party"), accredited by COFRAC (*Accréditation COFRAC Inspection*, no. 3-1681, scope available on www.cofrac.fr) and member of the network of one of the statutory auditors of your company (hereinafter "Entity"), we have carried out work designed to provide a reasoned opinion expressing a conclusion of moderate assurance on the compliance of the consolidated non-financial performance statement for the year ended December 31, 2022 (hereinafter the "Statement") with the provisions of Article R.225-105 of the French Commercial Code and on the fairness of the historical information (whether observed or extrapolated) provided pursuant to 3° of I and II of Article R.225-105 of the French Commercial Code (hereinafter the "Information") prepared in accordance with the Entity's procedures (hereinafter the "Reporting Criteria"), presented in the management report pursuant to the provisions of Articles L.225-102-1, R.225-105 and R.225-105-1 of the French Commercial Code.

Conclusion

Based on the procedures we performed, as described in the "Nature and scope of our work" section, and on the information we obtained, nothing has come to our attention that causes us to believe that the consolidated statement of non-financial performance is not in compliance with the applicable regulatory requirements and that the information, taken as a whole, is presented fairly in accordance with the Reporting Criteria.

Preparation of the non-financial performance statement

The absence of a generally accepted and commonly used framework or established practices on which to base the assessment and measurement of information allows for the use of different, but acceptable, measurement techniques that may affect comparability across entities and over time.

Therefore, the Information should be read and understood with reference to the Reporting Criteria, the significant elements of which are presented in the Statement.

Limitations inherent in the preparation of the Information

As stated in the Statement, the Information may be subject to uncertainty inherent in the state of scientific or economic knowledge and in the quality of the external data used. Certain information is sensitive to the methodological choices, assumptions and/or estimates made in preparing it and presented in the Statement.

The Entity's responsibility

The Board of Directors is responsible for:

- selecting or establishing appropriate criteria for the preparation of the Information;
- preparing a Statement in accordance with legal and regulatory requirements, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks as well as the results of these policies, including key performance indicators and, moreover, the information provided for in Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- and implementing such internal control procedures as it determines are necessary to enable it to produce information that is free from material misstatement, whether due to fraud or error.

The Statement was prepared by applying the entity's Reporting Criteria as mentioned above.

Responsibility of the independent third party

Based on our work, our role is to formulate a reasoned opinion expressing moderate assurance as to:

- the Statement's compliance with the provisions stipulated in Article R.225-105 of the French Commercial Code;
- the truthfulness of the historical (recognized or extrapolated) information provided in application of paragraph 3 of Sections I and II of Article R.225-105 of the French Commercial Code, namely the results of the policies, including key performance indicators, and the actions relating to the main risks.

It is our responsibility to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information, as this could compromise our independence.

It is not our responsibility to express an opinion on:

- the entity's compliance with other applicable legal and regulatory provisions (particularly in terms of information provided for by Article 8 of Regulation [EU] 2020/852 (green taxonomy), the vigilance plan and the fight against corruption and tax evasion);
- the fairness of the information provided for in Article 8 of Regulation [EU] 2020/852 (green taxonomy);
- the compliance of the products and services with the applicable regulations.

Regulatory requirements and applicable professional doctrine

Our work described below was carried out in accordance with the provisions of Articles A.225-1 *et seq.* of the French Commercial Code, the professional doctrine of the *Compagnie nationale des commissaires aux comptes* relating to this intervention taking into account the verification program and the international standard ISAE 3000 (amended)^[1].

Independence and quality control

Our independence is defined by the provisions of Article L.822-11 of the French Commercial Code and the profession's code of ethics. Furthermore, we implemented a quality control system that includes documented policies and procedures intended to ensure compliance with professional standards and applicable regulations and legislation, ethical rules and the professional doctrine.

Means and resources

Our work was conducted by a skilled team of five persons, took place between November 2022 and March 2023 and lasted for approximately fifteen weeks.

To assist us in carrying out our work, we called on our specialists in sustainable development and social responsibility. We carried out approximately ten interviews with the persons responsible for preparing the Statement representing in particular the departments in charge of defining policies, deploying them and collecting information.

Nature and scope of the work

We planned and performed our work taking into account the risks of material misstatement of the Information.

We believe that the procedures we conducted in the exercise of our professional judgment enable us to provide a moderate assurance engagement:

- we took due note of the activities of all the entities included in the consolidation scope and of their exposure to the main risks;
- we assessed the appropriateness of the Reporting Criteria with respect to their relevance, completeness, reliability, neutrality and comprehensibility, taking into account, if applicable, best practices in the sector;
- we verified that the Statement covers each category of information provided for in Section III of Article L.225-102-1 of the French Commercial Code on social and environmental matters as well as the information concerning the respect for human rights, anticorruption and combating tax evasion;
- we verified that the Statement contains the information provided in Section II of Article R.225-105 of the French Commercial Code where relevant to the main risks and that it includes, where applicable, an explanation of the reasons why the information required by the 2nd subparagraph of Section III of Article L.225-102-1 of the same Code is not included;
- we verified that the Statement presents the business model and the main risks related to the activity of all the entities included within the consolidation scope, including, whenever relevant and proportionate, the risks created by its business relations, products or services as well as the policies, procedures and results, including key performance indicators;

[1] ISAE 3000 (amended) – Assurance engagements other than audits or reviews of historical financial information.

- we consulted documentary sources and conducted interviews to:
 - assess the identification, ranking and validation process for the main risks and the consistency of the results, including the key performance indicators selected with respect to the main risks and policies presented, and
 - corroborate the qualitative information (actions and results) that we considered most significant, as presented in Appendix 1. For certain risks (absence of preventive measures to reduce the carbon footprint of banking and investment transactions and not taking into account the risks related to climate change), our work was carried out at the level of the consolidating entity, for other risks, work was carried out at the level of the consolidating entity and in a selection of entities listed below: Crédit Mutuel Nord Europe and CIC Ouest;
- we verified that the Statement covers the consolidated scope, *i.e.* all entities included in the scope of consolidation in accordance with Article L.233-16 of the French Commercial Code;
- we took due note of the procedures for internal control and risk management implemented by the Entity and assessed the collection process aimed at ensuring the completeness and veracity of the Information;
- for the key performance indicators and the other quantitative results that we considered to be the most significant presented in Appendix 1, we implemented:
 - analytical procedures consisting of verifying the correct consolidation of collected data as well as the consistency of changes to them, and
 - detailed tests based on sampling or other selection methods, consisting of verifying the proper application of definitions and procedures, and of reconciling data with supporting documents. This work was carried out with a selection of the contributing entities listed above and at the corporate bank level. This work covers between 7% and 20% of the consolidated data selected for these tests (7% of the workforce, 8% of energy consumption and 20% of financing authorizations);
- we assessed the overall consistency of the Statement in relation to our knowledge of all of the entities included in the consolidation scope.

The procedures performed for a moderate assurance engagement are less extensive than those required for a reasonable assurance engagement performed in accordance with professional doctrine; a higher level of assurance would have required more extensive audit work.

Paris-La Défense, April 12, 2023
 Independent third party
 EY & Associés
 Caroline Delérable
 Partner, Sustainable Development

Appendix 1: Information considered to be the most important

SOCIAL INFORMATION	
<p>Quantitative information (including key performance indicators and coverage rate)</p> <ul style="list-style-type: none"> ■ Share of employees trained in digital transformation (%) [7% of workforce] ■ Employee turnover rate (%) [7% of workforce] ■ Percentage of women in management and governance positions (%) [7% of workforce] <p>% of payroll expense dedicated to training [7% of workforce]</p>	<p>Qualitative information (actions or results)</p> <ul style="list-style-type: none"> ■ Employee digital training plan, including the Digital Passport ■ Actions taken to promote gender equality ■ Actions to encourage employee engagement
ENVIRONMENTAL INFORMATION	
<p>Quantitative information (including key performance indicators and coverage rate)</p> <p>Consumption of electricity, gas, fuel oil, urban steam and chilled water networks (kWh) [8% of energy consumption]</p> <p>Growth rate of renewable energy project financing commitments (%) [20% of the amount of financing authorizations]</p>	<p>Qualitative information (actions or results)</p> <ul style="list-style-type: none"> ■ Actions to take into account specific rules governing high greenhouse gas-emitting sectors in lending and investment management ■ Prevention measures to reduce the carbon footprint of banking and investment transactions ■ Consideration for risks associated with climate change
SOCIETAL AND GOVERNANCE INFORMATION	
<p>Quantitative information (including key performance indicators and coverage rate)</p> <ul style="list-style-type: none"> ■ Training rate of local elected members (%) [8% of elected members] ■ Membership rate (%) [10% of members] 	<p>Qualitative information (actions or results)</p> <ul style="list-style-type: none"> ■ Training actions for elected members ■ Actions taken to make membership more attractive

3.15 MISSION COMMITTEE REPORT

In 2020, Crédit Mutuel Alliance Fédérale adopted a *raison d'être* in line with its values: *Ensemble, écouter et agir (Listening and acting together)* and the status of benefit corporation. In line with the provisions of the PACTE Act, Crédit Mutuel Alliance Fédérale has set up a Mission Committee to ensure that the company has the necessary resources, governance and ambition to progress in its missions. This Committee will draw on the expertise of its members to propose possible medium-term initiatives and new commitments.

Article L.210-10 of the French Commercial Code provides for the annual publication of a Mission Committee report, attached to the management report, and verified by an independent third party (ITP).

The commitments approved as of December 31, 2021 were audited by the independent third party in February-March 2022. Its opinion was attached to the first report of the Mission Committee, itself attached to the annual report. The ITP will have to issue a new reasoned opinion in 2024, the audit being renewed every two years.

The second edition (March 2023) of the Mission Committee report reproduced below is also published in a separate document on the Crédit Mutuel Alliance Fédérale website. To facilitate the reading of this Report, the following table presents the pagination correspondence within this universal registration document:

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A committed Mission Committee	210
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Complete performance overview	226



Banque Fédérative du Crédit Mutuel

Société anonyme (public limited company) with share capital of €1,711,279,700

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