



Overall performance

Crédit Mutuel Arkéa goes further

INVESTOR VIDEO CONFERENCE

Wednesday 9th November – 3 PM CET

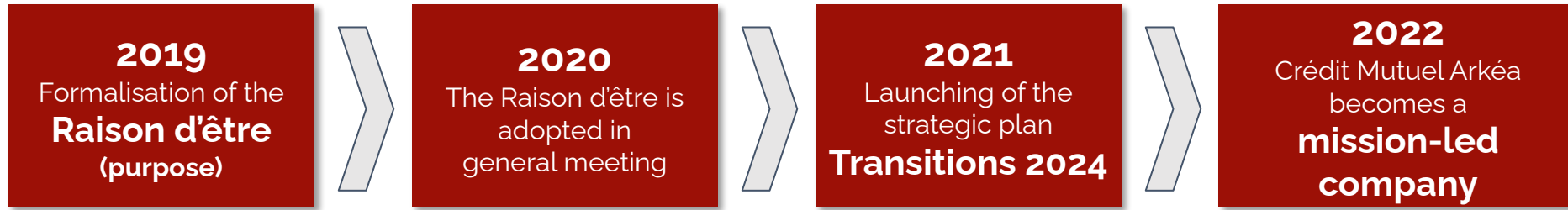
Crédit Mutuel
ARKEA

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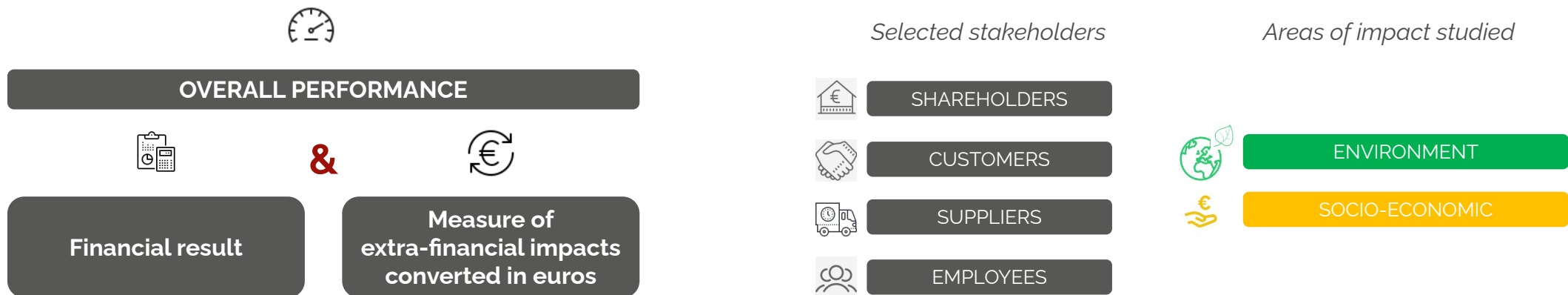
WHY MEASURE EXTRA-FINANCIAL PERFORMANCE?

THE MEASURE OF THE EXTRA-FINANCIAL PERFORMANCE SERVING THE GROUP'S AMBITION

A GROUP RESOLUTELY COMMITTED TO SUSTAINABLE FINANCE AT THE SERVICE OF FUTURE TRANSITIONS



- Measuring non-financial impacts is a concrete illustration of our commitment to **our raison d'être** and the initiatives in our strategic plan. It is also central to our role as a mission-driven company;
- The purpose of measuring extra-financial impacts (EF) is to express in euros the positive and negative externalities of CM Arkéa's actions on its stakeholders through impact indicators relevant to its activities and its direct footprint.



AMBITION OF MEASURING NON-FINANCIAL IMPACTS

The extra-financial performance is a major step forward which will allow :

TO ASSIST THE GROUP'S TEAMS IN THEIR DECISION MAKING

- Selection and orientation of funding;
- Optimisation of supplier relations and purchasing policies;
- Definition and evaluation of HR actions...

SUPPORT THE GROUP AND ITS STAKEHOLDERS IN CHANGE AND IMPROVEMENT

- What are the specific points for improvement and what concrete actions should be implemented to achieve them?

TO EVALUATE PROGRESS OVER THE LONG TERM

- The methodology is intended to be applied to all of CM Arkéa's banking and insurance businesses.
- It will be deployed progressively within the group's entities and on new perimeters.

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HOW TO MEASURE EXTRA-FINANCIAL PERFORMANCE?

2 REFERENCE FOR THE SELECTION OF INDICATORS


DOUBLE MATERIALITY APPROACH

Identification of indicators to measure extra-financial externalities relevant to CM Arkéa.

Analysis of good practices developed by actors (notably industrialists) and/or described in the literature.

A coherent approach taking into account other initiatives (World Economic Forum, Impact.gouv.fr platform, etc.) and regulations (Disclosure Regulation, Taxonomy, etc.).

Presentation of the 22 World Economic Forum Core Metrics

	Core Metrics	ODD
 COMMITTED TO IMPROVING THE STATE OF THE WORLD	Planet	
	Greenhouse gas (GHG) emissions	13
	TCFD-aligned reporting	1
	Land use and ecological sensitivity	15
	Fresh water consumption in water stressed areas	6, 14
	People	
	Gender pay equality (%)	5
	Diversity and inclusion (%)	10
	Wage level (%)	1
	Risk of incidents of child and forced labour (#, %)	8
	Prosperity	
	Health and safety (%)	3
	Training provided (#, \$)	4
	Net number of jobs created	8
	Net economic contribution	9
	Net investment	10
	R&D spend ratio (%)	
	Community investment (%)	
	Country by country tax reporting	

SCOPE OF MEASUREMENT BASED ON DOUBLE MATERIALITY APPROACH

- A financial materiality analysis to assess the volumes generated by the activities (e.g. outstanding financing)
- A non-financial materiality analysis to assess the relevance of the chosen indicators (e.g. GHG emissions)

The methodology is applied in priority to CM Arkéa's entities and products with a high financial and/or extra-financial materiality.

2 SELECTED EXTRA-FINANCIAL INDICATORS

For Crédit Mutuel Arkéa as a whole, **24 impact indicators have been selected** at this stage to measure non-financial impacts.

They are of two kinds:

- External indicators (relating to the activity of customers and suppliers);
- Internal indicators (relating to Crédit Mutuel Arkéa's internal activity).

EXTERNAL INDICATORS

Themes	Impact indicators
GENERAL INDICATORS	
Contribution to the fight against climate change	GHG emissions
Support for economic activity	# jobs supported Added value in the territories
SPECIFIC INDICATORS (applicable for certain products or sectors of activity)	
Contribution to energy efficiency	Energy performance gains
Resource depletion	Water consumption
Circular economy of waste	Residual waste generation
Biodiversity	Artificialization of soils Eutrophication
Reduction in energy bills	Purchasing power gain (€)
Quality of life (in good health)	# patients or care provided Fine particle emissions
Access to housing	# homes in social housing # owner households
Training & Education	# pupils/students enrolled
Mobility	# km of roadway funded or permitted trips # of vehicles financed

INTERNAL INDICATORS

Themes	Impact indicators
Contribution to the fight against climate change	GHG emissions
Circular economy of waste	Residual waste generation
Support for economic activity	# jobs supported Additional purchasing power under the social contract
Quality of life (at work)	# days of sick leave avoided/generated
Safety of people	# accidents at work
Training & Education	# alternates trained
Equal opportunities	Gender pay gap (€) # of employees with disabilities
Sponsorship	# days of mobilisation on skills sponsorship missions Donation of leave between employees

SOCIO-ECONOMIC

ENVIRONMENT

THE CHALLENGE OF DATA AVAILABILITY

The method of valuing impacts is adapted to the information available and influences the level of granularity of the information required. A "top down" approach based on the use of sectoral data is favoured at first.

Gradually, actual client data will be integrated depending on its availability and the robustness and integrity of the collection process.

EXTERNAL DATABASES

In order to make the calculations more reliable and to ensure transparency, the methodology is based on public reference databases.

Examples :



MEASURE AND MONETISATION OF THE IMPACTS

	# Calculation steps	Description of the stage	Example	Calculation formula
1	Impact assessment	Quantified expression of impact	Volume of GHG emissions	Volume of the indicator Unit (varies by indicateur) X
2	Monetisation of the impact	Conversion of the impact into €	Trustee value of GHG emissions	Monetisation index € per unit X
3	Determination of CM Arkéa's impact	CM Arkéa's share of the company's value	Equal to 10% (for a credit of 100k from a client with liabilities of €1m)	Share CM Arkéa % =
	Result			Monetary value of the impact

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PROGRESS AND PROSPECTS

A profound and innovative evolution of the finance management profession, reflected in its new name:

"Finance and Overall Performance Department".

External audit by Deloitte, one of our auditors, which issued an assurance report (09/2022) on the 2020 and 2021 measures.

Integration of non-financial performance indicators in the steering of the mission committee.

Extension of the scope for calculating non-financial performance :

<i>% of total CM Arkéa</i>	October 2021 (Measure 2020 on ABEI)	July 2022 (Measure 2020 et 2021 on an extended perimeter)
Financements	18% of financing	70% of financing
Suppliers	2% of external purchases	95% of external purchases
Employees	3% of the workforce	90% of the workforce

Industrialisation of the calculation tool now integrated into the group information system.

Launch of a programme to collect non-financial data from our clients to optimise the measurement of non-financial performance.



FURTHER EXTENSION OF THE SCOPE OF ACTIVITIES COVERED AND INTEGRATION INTO THE GROUP'S MANAGEMENT PROCESSES

PUBLISHING OF THE METHODOLOGICAL
FRAMEWORK ON OUR [INSTITUTIONAL WEBSITE
CM-ARKEA.COM](https://cm-arka.com)

METHODOLOGICAL APPROACH

FOCUS ON THE SELECTED INDICATORS



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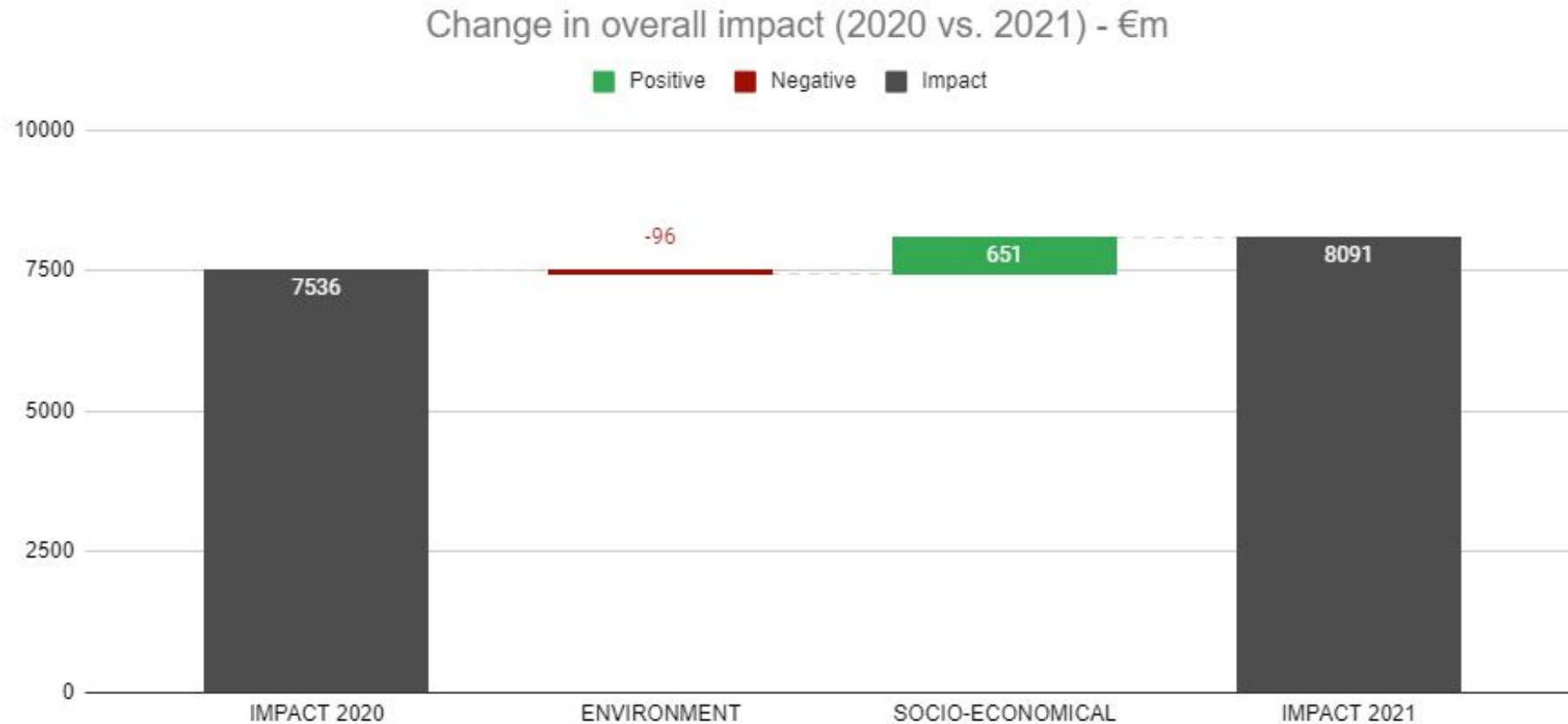
2021 MEASURES

	TOTAL	SHAREHOLDERS AND CUSTOMERS (FINANCING)	SUPPLIERS	EMPLOYEES
TOTAL 2020	€7536m	€7023m	€175m	€338m
ENVIRONMENT	-€671m	-€665m	-€2m	-€4m
SOCIO-ECONOMIC	€8208m	€7689m	€177m	€342m
TOTAL 2021	€8091m	€7560m	€199m	€332m
ENVIRONMENT	-€766m	-€760m	-€2m	-€4m
SOCIO-ECONOMIC	€8856m	€8319m	€201m	€336m

CM ARKÉA'S EXTRA-FINANCIAL PERFORMANCE IS **€8.1 Bn** FOR THE YEAR 2021, **AN INCREASE OF 7.3% FROM 2020.**

1M OF FINANCING GRANTED BY CM ARKÉA GENERATES ON AVERAGE :

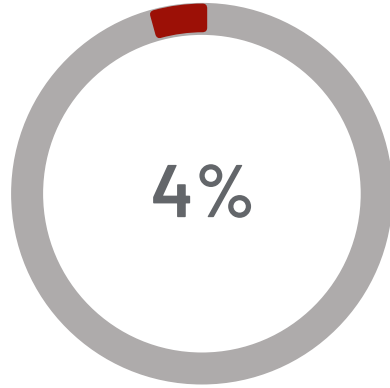
- €15,000 of negative environmental impacts;
- €165,000 of positive socio-economic impacts.



- The evolution of extra-financial performance (+ €555m) is driven by the improvement of socio-economic indicators calculated on financing.
- The measurement of environmental indicators deteriorated, mainly due to the 18% increase in the shadow carbon value (from €87 T/eq CO₂ to €103 T/eq CO₂).

IMPACT OF CM ARKÉA ON ITS SPHERES OF INFLUENCE

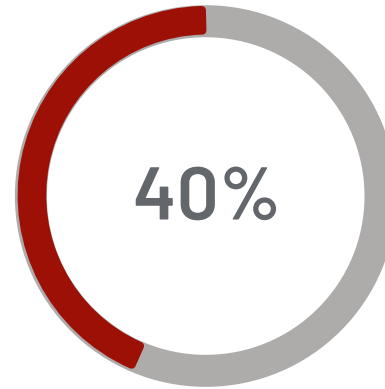
BREAKDOWN OF THE 2021 NON-FINANCIAL PERFORMANCE MEASURE (€8,091M) BY SPHERE OF INFLUENCE



Direct : €332 m

= impacts that the group can control

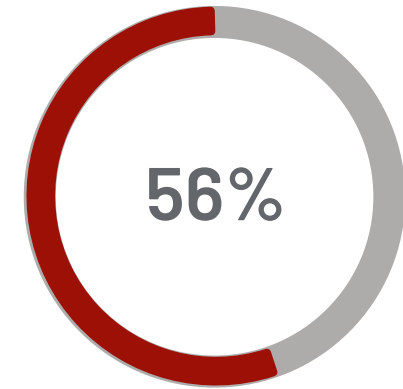
Example: Crédit Mutuel Arkea, through its own actions and the mobilisation of its employees, aims to reduce its carbon footprint by 16% by 2024.



Indirect : €3 222 m

= impacts that the group influences

Example: By encouraging the use of local suppliers through its purchasing policy, Crédit Mutuel Arkéa contributes to the creation of local jobs.



Induced : €4 536 m

= impacts to which the group contributes

Example: By financing doctors, healthcare facilities and nursing homes, Crédit Mutuel Arkéa helps to promote access to healthcare and thus has a positive impact on the quality of life in good health.

See breakdown of external indicators (funding and suppliers) by sphere of influence in annex

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MARKET FOCUS

**PROFESSIONALS,
COMPANIES &
INSTITUTIONS**

5 PROFESSIONALS, COMPANIES & INSTITUTIONS

METHODOLOGICAL DETAILS

Scope of calculation

The impacts are calculated on the scope of Arkéa Banque Entreprises & Institutionnels (ABEI) and the Crédit Mutuel de Bretagne and Sud Ouest federations (CMB and CMSO).

<i>Data as of 31/12/2021</i>	RETAIL MARKETS (Valued outstandings: €29bn)		PROFESSIONAL MARKETS CORPORATE & INSTITUTIONAL MARKETS (Valued outstandings: €21bn)		TOTAL
ENVIRONMENT	-€78m		-€682m		-€760m
GHG EMISSIONS		-€51m		-€556m	-€607m
WATER CONSUMPTION		-€26m		-€97m	-€123m
SOIL ARTIFICIALISATION		-€1,3m			-€1,3m
EUTROPHICATION				-€26m	-€26m
RESIDUAL WASTE GENERATION		-€0,2m		-€3m	-€3m
ENERGY PERFORMANCE GAIN		€0,5m			€0,5m
SOCIO-ECONOMICAL	€2170m		€6148m		€8319m
# JOBS SUPPORTED		€194m		€1713m	€1907m
ADDED VALUE ON TERRITORIES				€2032m	€2032m
ACCESS TO HOUSING		€1948m		€232m	€2180m
PURCHASING POWER GAIN		€5m			€5m
QUALITY OF LIFE		-€0.3m		€2094m	€2094m
STUDIES				€77m	€77m
MOBILITY		€24m			€24m
TOTAL	€2093M		€5499m		€7560m

Indicator	Externality	Value of the indicator	Monetisation index
GHG emissions (scope 1,2 and 3)	The monetisation index used is the carbon price, which is the "price" of a ton of carbon set by the State in the context of its commitments (investments in the fight against global warming) as defined by the Quinet report, which evaluates public action for the climate.	GHG emissions (T/€ of turnover) of the sector x Turnover (€) of the stakeholder <i>Source: France Stratégie Primap - Eora - Edgar</i>	The tutelary value of Carbon <i>Source: Quinet Report</i>
Water consumption	The cost of providing water is the cost of meeting a need and avoiding a negative impact. Excluding other costs incurred by water consumption	Water consumption (m3 /€ of turnover) of the sector x Turnover (€) of the stakeholder <i>Source: Insee</i>	Water distribution costs (€/m3) <i>Source: C.I EAU</i>
Residual waste generation	The conversion index used corresponds to the costs of externalities linked to the production of non-recovered waste. These costs can be calculated on the basis of the depreciation of real estate assets in the vicinity of a waste disposal site.	Hazardous / non-hazardous waste generation (T/€ of turnover) of the targeted sector x Turnover (€) of the stakeholder <i>Source: Insee - Eunomia - Exiopol - Singh et al.</i>	Cost of non-hazardous and hazardous waste impacts (€/T) <i>Source: Insee - Eunomia - Exiopol - Singh et al.</i>

Indicator	Externality	Value of the indicator	Monetisation index
# jobs supported	<p>The conversion index reflects</p> <ul style="list-style-type: none"> (1) the increase in the purchasing power of employees relative to a non-employment situation (2) the avoided costs to the state of unemployment benefits. <p>Both of these elements come back to the average net income by industry concerned. This is an indirect impact for CMA, the jobs are supported by its stakeholders. Monetisation does not take into account social and competition mechanisms.</p>	$\frac{\text{Ratio of jobs to € in the sector (FTEs/€)}}{\text{Turnover (€) of the stakeholder}}$ <p>Source: Insee</p>	<p>Average net income of the sector (€/FTE)</p> <p>Source: Insee</p>
Added value in the territories	<p>The added value is considered net of wages as the impact in terms of employment purchasing power gains is already accounted for in the indicator # jobs supported. The added value on the territories and the homes in social housing are considered as induced, the benefits being measured at the level of the stakeholders' clients.</p>	$\frac{(\text{Ratio € of Value Added / € of turnover of the sector}) \times (\text{Ratio € of payroll / € of sector turnover})}{\text{Turnover (€) of the stakeholder}}$ <p>Source: Insee</p>	<p>The indicator is already expressed in €, so no monetisation is required</p>
# homes in social housing	<p>The measure reflects the purchasing power gains associated with access to social rent compared to conventional housing</p>	$\frac{\text{Turnover (€) of the stakeholder} \times \text{Ratio \# of households}}{\text{Sector turnover (€)}}$ <p>Source: Insee - Ministry of Territorial Cohesion and Relations with Local Communities - Seloger.com</p>	<p>Marginal purchasing power per social housing unit (€)</p> <p>Source: Insee - Ministry of Territorial Cohesion and Relations with Local Communities - Seloger.com</p>

Indicator	Externality	Value of the indicator	Monetisation index
# patients or care provided	The index translates the annual value of healthy years (QALY value in €: value of a year of human life weighted by its quality in terms of health) supported by curative medicine, access to care, and stays in EHPAD, compared to one year of life expectancy	$\frac{\# \text{ inpatients} / \# \text{ healthcare institutions in France} \times \# \text{ Arkéa's healthcare institution customers} \times \% \text{ of hospital activities in health activities}}{\# \text{ care delivered per year} / \# \text{ doctors in France} \times \# \text{ Arkéa's doctor customers} / \# \text{ consultations per patient per year}}$ $\frac{\# \text{ people in EHPAD in France} / \# \text{ EHPAD in France} \times \# \text{ Arkéa's EHPAD customers}}{\text{Source: Atih - Insee - Ministries of Solidarity and Health - France Stratégie}}$	<p>Value of care in curative medicine (€ / patient)</p> <p>Value of access to routine care (€ / year)</p> <p>Value of care for EHPAD patients (€ / year)</p> <p>Source: Atih - Insee - Ministries of Solidarity and Health - France Stratégie</p>
# pupils / students enrolled	The approach amounts to attributing to the years of training a wage gain compared to reference situations (net inactivity income for the years before the BAC; average net income at BAC level for higher education). The index is expressed in € of additional purchasing power for each pupil/student.	$\frac{\# \text{ Average number of students per establishment in France} \times \# \text{ of clients establishments Arkéa schoolchildren}}{\text{Source: Ministry of Higher Education - Adzuna}}$	<p>Annual purchasing power generated per year of pre-BAC education (€)</p> <p>or</p> <p>Annual purchasing power generated per year of higher education (€)</p> <p>Ministry of Higher Education - Adzuna</p>

Care or studies are two impacts induced by CMA funding because the benefit is measured at the level of the stakeholders' clients.

*Data required for the impact calculation***CLIENTS DATA****DATA TYPE**

Outstanding as of 12/31/N	1 Billion €
Clients liabilities	15 Billions €
Clients' turnover	6 Billions €

SECTOR DATA**DATA TYPE****SOURCES**

Average GHG emission (T / € of turnover)	0,0002228	Primap
Target value of GHG emissions (€ / T CO ₂ eq)	103 € / T CO ₂ eq	France Stratégie

*Valuation of the extra-financial impact***Impact assessment**

= GHG emissions (T/€ of turnover)
of the sector
x turnover (€) of stakeholders

= 0,0002228 x 6 Billions

= 1,3 M of tons

X**Monetisation of the impact**

= Target value of GHG emissions (€
/ T CO₂ eq)

= 103 €

X**CM Arkéa's share**

Outstanding as of 12/31/N
/ Clients liabilities

= (1Md / 15 Md)

= 6,67 %

=**IMPACT**

- 9,2 M€

Data required for the impact calculation**CLIENTS DATA****DATA TYPE**

Outstanding as of 12/31/N	1 Billion €
Clients liabilities	15 Billions €
Clients' turnover	6 Billions €

SECTOR DATA**DATA TYPE****sources**

Average jobs (FTE / € of turnover)	0,00000896 FTE / €	INSEE
Average net income	28 428 € / FTE	INSEE

Valuation of the extra-financial impact**Impact assessment**

= Average jobs (FTE / € of turnover)
x turnover (€) of stakeholders

= 0,00000896 x 6 Billions

= 53 760 FTE

X**Monetisation of the impact**

= Average net income
(€ / FTE)

= 28 428 €

X**CM Arkéa's share**

Outstanding as of 12/31/N
/ Clients liabilities

= 6,67 %

=**IMPACT****+ 102 M€**



Crédit Mutuel **ARIKEA**

DE NOUVEAUX LIENS POUR CHANGER DEMAIN