



# OVERALL PERFORMANCE

Measurement of  
non-financial impacts

Methodological reference framework

09/2022

FINANCE AND GLOBAL  
PERFORMANCE  
DEPARTMENT

Crédit Mutuel  
**ARKEA**

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# CRÉDIT MUTUEL ARKÉA'S APPROACH



# RAISON D'ÊTRE (PURPOSE): THE BASIS OF THE STRATEGIC PLAN

## OUR RAISON D'ÊTRE

We want to be **a player in a world that takes a long-term view** and takes into account **the major societal and environmental challenges facing our planet** for future generations.

We contribute to this by practicing **finance at the service of regions and their actors**, which is sustainable and **helps everyone to achieve their potential**.

To this end, we have chosen to be **a cooperative and collaborative bank** that promotes **a balanced sharing of value** with its members, customers, employees, partners and regions. A **socially responsible, ethical and inclusive** company that is attentive to **respect for its environment**.

On a daily basis, we develop, in collaboration with our stakeholders, **innovative solutions** to support our members and customers in **their life projects** and **meet their aspirations**.

## OUR 5 COMMITMENTS

Make our decisions by aiming for a **balanced approach between financial performance and positive impact** – societal and environmental – through the exercise of **cooperative governance** anchored in our **territories**.

Supporting each of our **stakeholders** in their **environmental transition**.

Developing **regional cooperation** and committing to **local vitality**.

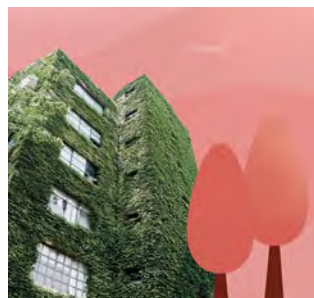
Commit to **inclusion** and cultivate a **lasting relationship of trust** with all our **members and customers**, from pioneers to the most vulnerable.

Promote our **collective commitment** to serve **common interest**, in particular by bringing to life our **mutualist values**.

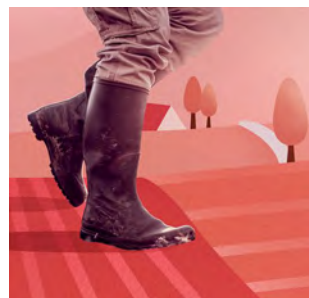
*Adopted in January 2021, the plan positions the group as the agile financial partner for future transitions.*

*It aims to strengthen its positive impact and its overall financial and non-financial performance.*

It is structured in **4 strategic axes** which are priorities for action to guide our business model.



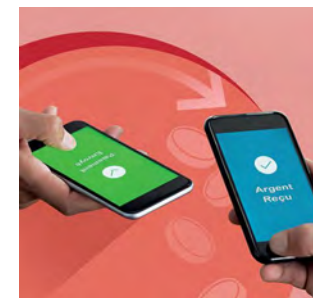
**Expanding our range of offers and services with a positive impact**



**Support responsible development of territories**



**Customise the experience customer**



**Develop our partnership model**

## THESE AXES ARE SUPPORTED BY 5 IMPLEMENTATION LEVERS:

1. Promoting our cooperative model
2. Be exemplary in our own actions and transitions
3. Improving collective effectiveness
4. Offer a unique employee and director experience
5. Valuing an open innovation approach

# CRÉDIT MUTUEL ARKÉA: A MISSION-LED COMPANY

## ONE AMBITION: TO INCREASE THE GROUP'S OVERALL PERFORMANCE

**A deep and concrete commitment** to major social and environmental transitions.

A project adopted at the general meeting on 10 May 2022: **Crédit Mutuel Arkéa has thus officially become one of the first banks to obtain this status.**

The mission committee was appointed in June. It is composed of a majority of people from outside the company, as well as employees and directors, committed to both environmental and social issues.

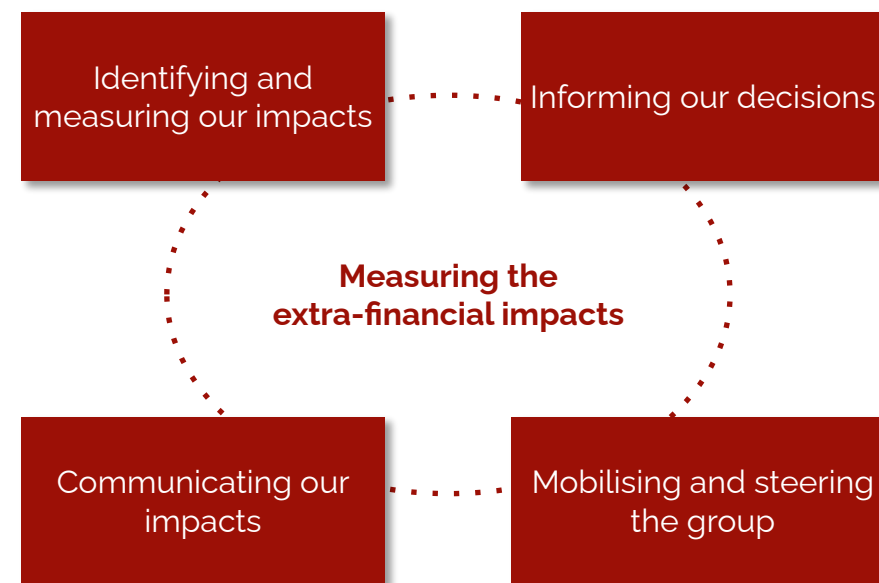
**The group's missions will be organised around the five commitments defined in application of the Raison d'Être.**

**A roadmap is currently being drawn up** to define the concrete implementation of each of these commitments. It will be validated by the Committee and will form the basis for monitoring the execution of its mission. It will also be regularly assessed by an approved independent third-party organisation.

The four-year quantitative targets will be defined by the committee by the autumn.

The Mission Committee will present an annual report to the General Assembly. **The first report will therefore appear in the first quarter of 2023.**

## A DEVICE TO MEASURE THE EXTRA-FINANCIAL PERFORMANCE



# 2

## GENERAL SYNTHESIS

## 2 GENERAL PRINCIPLES

### OVERALL PERFORMANCE

= FINANCIAL RESULTS & MEASUREMENT OF NON-FINANCIAL IMPACTS CONVERTED INTO EUROS

The measurement of the extra-financial impacts of the CM Arkéa's activities must illustrate:

- Its commitment to **its purpose** and initiatives as set out in its strategic plan;
- The impact of its decisions, actions and offerings on its stakeholders.

To measure value creation and therefore the overall performance of CM Arkéa, it is necessary to have a common language with **a common unit of measurement, the euro**, and financial and non-financial values.

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.

### WHAT IS AN EXTERNALITY?

An externality characterises the fact that CM Arkéa creates, through its activity, an external effect by providing its stakeholders, without monetary compensation, with a utility or an advantage free of charge, or on the contrary, a nuisance or a damage without compensation.

These externalities are numerous and can be different for different stakeholders.

***The measurement of extra-financial impacts is not intended to measure the intangible capital of the Crédit Mutuel Arkéa group (brand value, collective knowledge, etc.).***

#### *Selected stakeholders*



#### *Areas of impact studied*





## 2 SUMMARY OF THE METHODOLOGICAL REFERENCE

### SCOPE

The scope chosen for the measurement of extra-financial impacts must ensure coverage:

- Arkéa's material activities;
- Material NF impacts for Arkéa;
- ESG impact issues arising from regulation.

Thus, the choice of impacts to be covered was based on a cross analysis of financial and EF materiality.

18 themes have been identified and structure 24 impact indicators to date.

The impact indicators are external (relating to the activity of customers and suppliers) or internal (relating to Arkéa's internal activity).

### APPROACH

The measurement of NF impacts will be expressed in absolute value, on the French territory, where each impact is monetized by multiplying:

- The volume of the indicator;
- The monetisation index;
- A share.

The NF impacts observed in the year of calculation are generated:

- Or by the financing/investments in the portfolio at the end of year N (reflecting the activity of the clients);
- Or by purchases and activity in year N (relating to supplier activity and internal activity).

The impact trajectory will be materialised by the evolution of extra-financial impacts between year N and year N+1.

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.

### DATA AVAILABILITY

The methodological reference was established taking into account the data currently available in the information systems. It is based on financial data in the absence of non-financial data in the IS to date. External databases (Diane, Orbis, etc.) were used to complete certain missing information on counterparties and suppliers (turnover, financial debts, Nace code, etc.). Real customer data will gradually be integrated depending on their availability and the robustness and integrity of the collection process.

### DIVERSITY OF MEASURED EXTERNALITIES

The conversion of NF impacts into euros leads to the addition of impacts that are not, by construction, of the same nature.

**Example:** the negative externality of 300 TCO<sub>2</sub> generated (at 87 € / TCO<sub>2</sub> in 2020) is treated in the same way as the positive externality linked to the creation of a job (for a salary of 21 K€).

### DISPARITY OF PERIMETERS

The methodology is intended to be gradually extended to cover all of the CM Arkéa group's material activities.

### DOUBLE COUNTING OF CERTAIN EXTERNALITIES

In choosing a single measure of NF performance converted into euros, the methodologies applied may lead to a "double counting" of NF impacts. The goal of the methodology is to minimise this effect.

**Example:** If a customer of CM Arkéa is also a supplier of the group, then the impact can, in theory, be taken into account several times.

# 3

## METHODOLOGICAL APPROACH

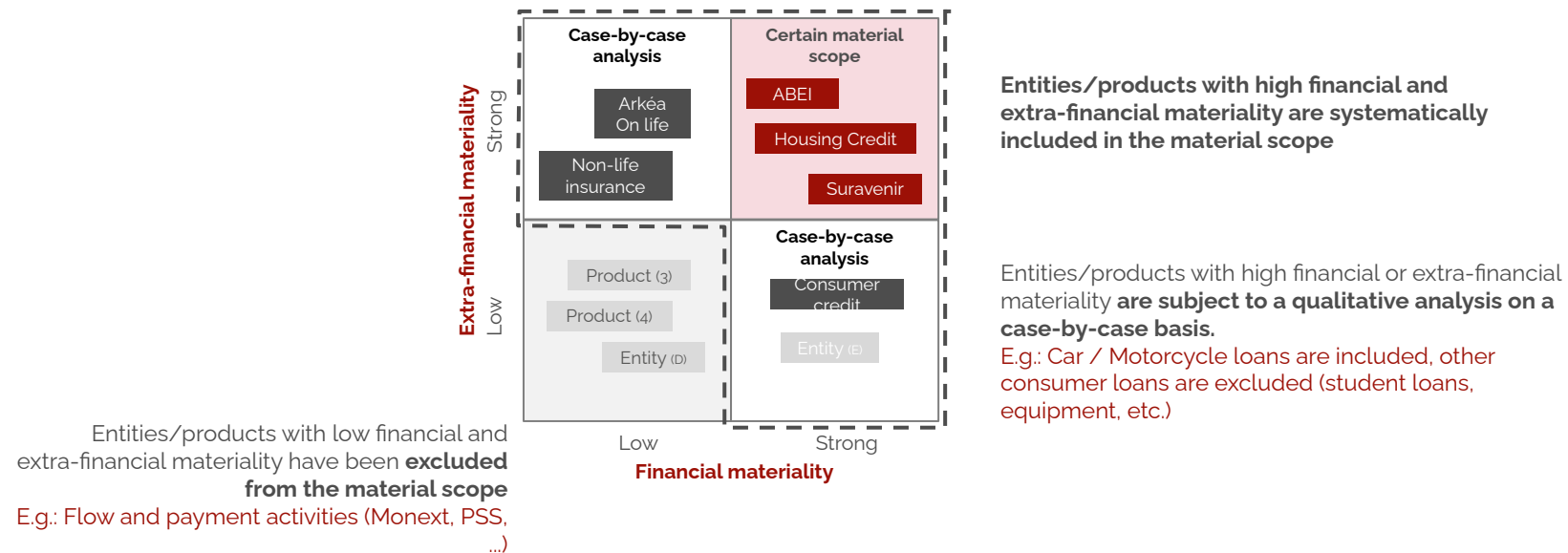
## APPROACH CHOSEN

The scope was defined on the basis of two parallel analyses:

- A financial materiality analysis (e.g. asset mapping) to assess the volumes generated by the activities (e.g. outstanding financing)
- An analysis of extra-financial materiality (e.g. environmental impact) to assess the relevance of the chosen indicators (e.g. GHG emissions)

**The methodology is applied in priority to Crédit Mutuel Arkéa entities and products with a high financial and/or extra-financial materiality\*.**

\* See Glossary



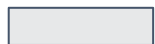
# SCOPE - PRESENTATION OF THE SELECTED MATERIAL SCOPE

## APPROACH CHOSEN

Financial materiality is based on the financial weight of Arkéa's activities and non-financial materiality on the relevance of the indicators.

The methodological reference allows for the measurement of extra-financial impacts **in France** subject to the exhaustive availability of information in the information systems.

			COVERAGE OF METHODOLOGICAL FOUNDATION*.
FINANCING	Consumer market		> 90% of the funding Excluded: <ul style="list-style-type: none"><li>• Non-allocated consumer loans</li><li>• Loans for work other than energy saving</li></ul>
	Corporate & Institutional Markets		
INVESTMENTS	Private Equity		> 90% of investments Excludes cash and deposits <i>It should be noted that sovereign bonds are analysed, but as the purpose of the investment is difficult to identify, the EF impact is estimated at zero.</i>
	Insurance investment	Euro funds	
		Units of account	
SUPPLIERS			100% of external purchases
EMPLOYEES			> 90% of personnel costs Excluded are taxes and similar payments on remuneration



Perimeter calculated over the financial year 2020 and 2021.  
Work is underway to gradually integrate the investments.

\* Estimate based on Crédit Mutuel Arkéa's consolidated financial statements at 31/12/2020



# 3 DATA AVAILABILITY

## APPROACH CHOSEN

Identification and collection of financial and non-financial data to establish impact measurement.

The method for valuing impacts is adapted to the information available:

- In the short term, the top-down "sector" approach has been adopted in order to capitalise on the existing situation.
- Over time, a hybrid top-down/bottom-up approach, and then a predominantly bottom-up approach, will allow the measurement of impacts to be refined.

### TOP-DOWN "SECTOR"

*Aggregated data by sector of activity*

#### **BENEFITS**

The only possible method to integrate the historical base into the EF measure

Minimises data collection

#### **DISADVANTAGES**

Need to find the relevant proxies to give an accurate picture of reality to date

### BOTTOM-UP "CUSTOMER or PRODUCT"

*Granular data by customer or product*

#### **BENEFITS**

Allows for a more granular picture

#### **DISADVANTAGES**

Need to collect additional non-financial data, not currently available in the information systems

**The change from the sectoral approach to the specific approach can have an impact on the results, both upwards and downwards.**

## APPROACH CHOSEN

Selection of reference databases, which are public.

Examples of sources used for  
**monetisation indices**



Examples of sources used for the  
**valuation of EF indicators**



## APPROACH CHOSEN

Monetisation of each non-financial indicator by multiplying:

- One volume;
- A monetisation index;
- A share of CM Arkéa.

Calculation steps	Description of the stage	Example	Calculation formula
<b>Impact assessment</b>	<b>Quantified expression of impact</b>	Volume of GHG emissions	<b>Volume of the indicator</b> <i>Unit (varies by indicator)</i>
<b>Monetisation of the impact</b>	<b>Conversion of the impact into €</b>	Trustee value of GHG emissions	<b>Monetisation Index* (MII)</b> <i>€ per unit</i>
<b>Determining the impact of CM Arkéa</b>	<b>CM Arkéa's share of the company's value</b>	Equal to 10% (for a credit of 100k from a client with liabilities of €1m)	<b>Share CM Arkéa</b> <i>%</i>
<b>Result</b>			<b>Monetary value of the impact</b>

\* See Glossary

### 3 TEMPORALITY OF NON-FINANCIAL IMPACTS

#### APPROACH CHOSEN

The extra-financial impacts are taken into account on the perimeter of CM Arkéa's past and current activities which have an impact observed in Year N:

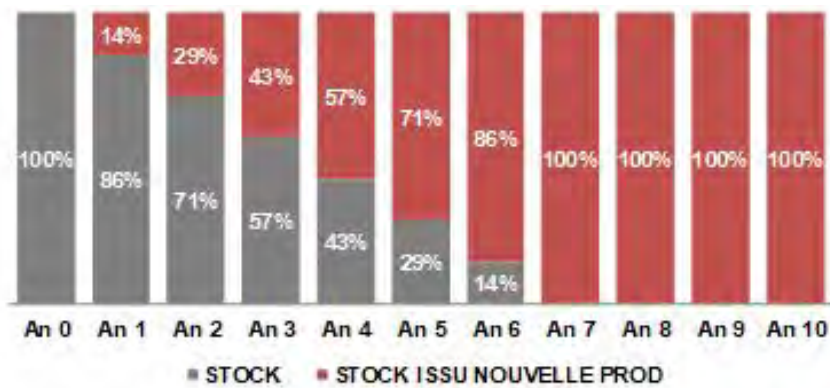
- Either by the financing/investments in the portfolio at the end of year N (reflecting the activity of the clients);
- Or by purchases and activity in year N (relating to supplier activity and internal activity).

Arkéa's impact trajectory will be materialised by the increase in non-financial results between year N and year N+1.

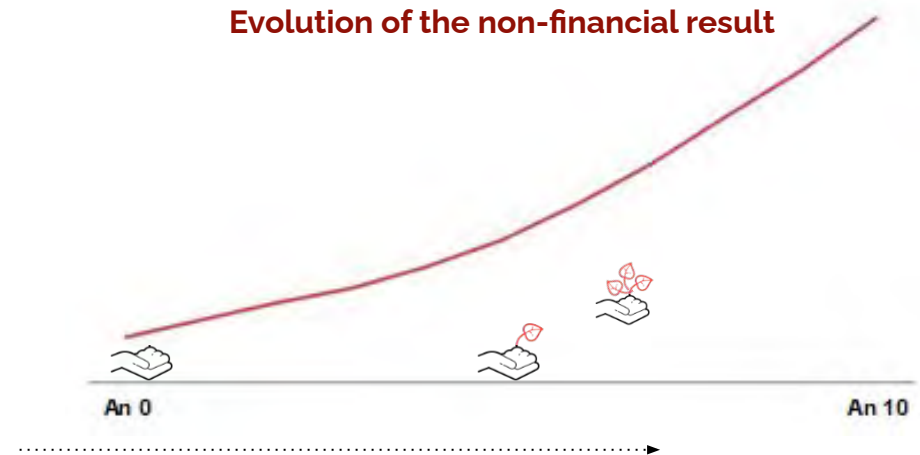
The calculation is a snapshot of the impacts of the activities.

*For example, a loan that ends in September is not taken into account in the 31/12 calculation.*

Transformation of the stock



Evolution of the non-financial result



Arkéa's share represents the share of impact in the real economy that can be attributed to Crédit Mutuel Arkéa through its activities.

## MEMBERS AND CUSTOMERS

When CM Arkéa finances (or invests in) a sector, its share represents the outstanding capital of its loans (or the amount of its investments) in relation to its stakeholders' liabilities.

When CM Arkéa finances a retail asset (property, vehicle, etc.), its share represents the outstanding capital of its loans in relation to the acquisition value of the asset.

**In this approach, the assumption is that 100% of the externalities of a company or individual can be attributed to its shareholders/financiers.**

## SUPPLIERS

The CM Arkéa share represents the proportion of the supplier's turnover with Arkéa in relation to the supplier's overall turnover.

**In this approach, the assumption is that 100% of a company's externalities can be attributed to its customers.**

## EMPLOYEES

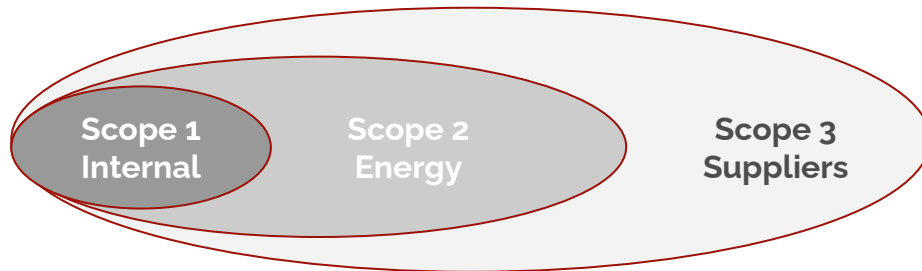
Arkéa's share is 100%.



Accounting for non-financial impacts raises the issue of double counting between different economic actors.

### CASE OF GHG EMISSIONS

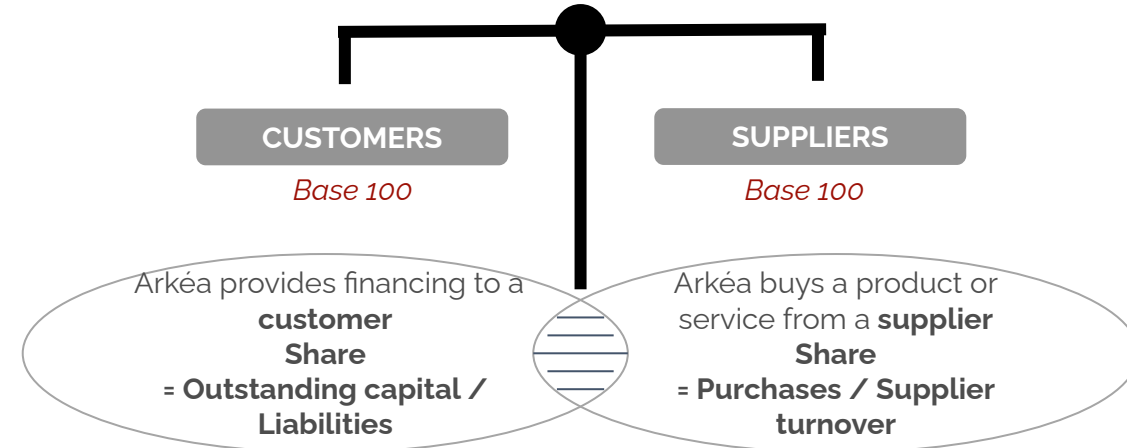
The accounting of GHG emissions (Scopes 1, 2 & 3) generates double counting between the various economic players (a company's Scope 3 corresponds to its supplier's Scope 1).



**The sum of GHG emissions** (scope 1, 2 and 3) between a company's GHG balance and that of its suppliers exceeds 100% of the emissions generated.

### GENERAL CASE

Accounting for the impacts attached to an indicator generates double counting between the different economic actors (financiers/investors and consumers/purchasing suppliers).



# 4

## FOCUS ON SELECTED INDICATORS

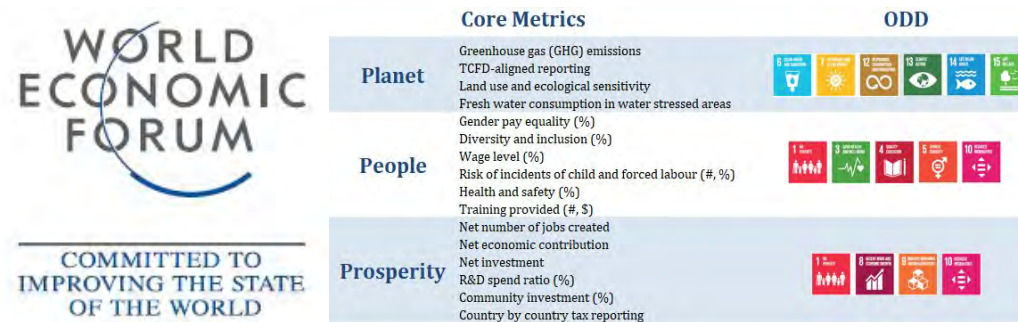
## APPROACH CHOSEN

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



The choice of indicators and calculation methodologies is based on an internal analysis of the scope to be measured, the reference indicators and the availability of data.

Examples of methodological biases:

- Water consumption: the monetisation index, the cost of water distribution, does not include collection and depollution;
- Supported employment: the indicator does not include the unemployment rate.

# 4 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
<b>GENERAL INDICATORS</b>	
Contribution to the fight against climate change	GHG emissions
Support for economic activity	# jobs supported Added value in the territories
<b>SPECIFIC INDICATORS</b> (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

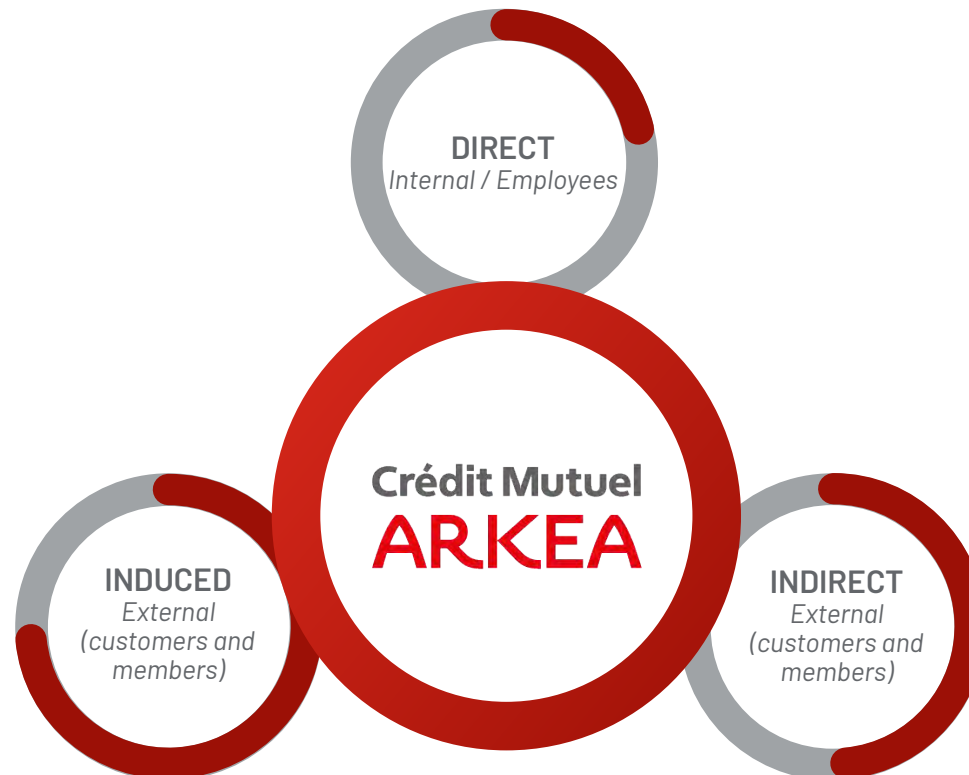
SOCIO-ECONOMIC

ENVIRONMENT

## APPROACH CHOSEN

3 levels group together impacts of a similar nature from the entire value chain of the group and its stakeholders, both upstream and downstream:

- Level 1: **Direct**: Impact I can control;
- Level 2: **Indirect**: Impact I influence ;
- Level 3: **Induced**: Impact to which I contribute.





## BREAKDOWN OF EXTERNAL INDICATORS BY SPHERE OF INFLUENCE

4 indicators reflect an induced impact. Through its financing or purchases, the group contributes to additional externalities that benefit not only its stakeholders but also their ecosystems and users.

- The "**added value on the territories**" makes it possible to estimate the additional value that a company supported by the Arkéa CM is able to generate through its activity by creating wealth through its production cycle.
- The "**# patients or care delivered**" reflects the financing of doctors, health establishments and EHPADs by the CM Arkéa, which allows users to access care, and therefore a better quality of life in good health.
- The funding of "**social housing households**" allows for an improvement in the marginal purchasing power induced by access to social (vs. conventional) housing for the beneficiaries of such housing.
- "**Pupils/students enrolled**" reflects the funding of schools and training institutions that provide users with access to education.

Type	Thematic	Indicator	Sphere of influence
External (financing and suppliers)	Contribution to the fight against climate change	GHG emissions (scope 1, 2, 3) <i>Externally, emissions are considered indirect for the 3 scopes</i>	Indirect
	Support for economic activity	# jobs supported (FTE)	Indirect
	Support for economic activity	Added value in the territories	Induced
	Contribution to energy efficiency	GHG emissions (scope 1, 2, 3)	Indirect
	Resource depletion	Water consumption	Indirect
	Circular economy of waste	Residual waste generation	Indirect
	Water quality and biodiversity	Eutrophication (nitrogen and phosphorus emissions)	Indirect
	Reduction in energy bills	Purchasing power gain (€)	Indirect
	Quality of life (in good health)	# patients or care provided	Induced
	Quality of life (in good health)	Fine particle emissions	Indirect
	Access to housing	# homes in social housing	Induced
	Access to housing	# owner households	Indirect
	Training & Education	# pupils/students enrolled	Induced
	Mobility	# km of roadways funded or routes allowed	Indirect
	Mobility	# of vehicles financed	Indirect

## 4 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).

#### Methodological clarifications

The following two slides provide details on the calculation of the quota and the value of the indicator.

# 4 PROFESSIONALS, COMPANIES & INSTITUTIONS

## RULES APPLIED TO THE SHARE

The share (QP) corresponds to CMA's contribution to the generation of the extra-financial impact. Its calculation differs according to the stakeholder category.

For all sectors, the share is the ratio of the **amount of credit outstanding to the total amount of liabilities**.

### In case of unavailability of total liabilities:

- For **professional customers of the CCM Networks**, the average total liability of the sector is applied.
- For **ABEI's corporate and institutional clients**, stakeholder financing is excluded except for clients in the **Public Administration (O)**, **Education (P)** and **Human Health (Q)** sectors for which a **specific quota (QPS)** is applied.

<b>QP (all sectors) =</b>			$\frac{\text{Outstanding}}{\text{Total liabilities}}$	
<b>Unavailability of total liabilities</b>	ABEI clients		Exclusion (all sectors except O,P,Q)	
	Clients CCM Networks		Total average sector liabilities	
<b>QPS Administration = Public Sector (O)</b>	$\frac{\text{Outstanding}}{\text{Total amount of funding}}$		X	$\frac{\text{Annuities}}{\text{Average expenditure of communities}}$
<b>QPS Education Sector (P) =</b>	$\frac{\text{Annuities}}{\text{Average expenditure per student}}$			
<b>QPS Sector Human Health (Q) =</b>	$\frac{\text{Annuities}}{\text{Average expenditure per patient}}$			

## 4 PROFESSIONALS, COMPANIES & INSTITUTIONS

### RULES APPLIED TO THE VALUE OF THE INDICATOR

The indicator value is the component that quantifies the impact in its original unit of measurement (e.g. amount of CO2 emitted in tonnes).

The value of the **generic indicators** is estimated by applying the sector ratio to the stakeholder's turnover.

#### Generic indicators, if turnover is not available:

- For **ABEI clients**, **stakeholder** financing is excluded except for clients in the **Public Administration (O)**, **Education (P)** and **Human Health (Q)** sectors.
- For **professional customers of the Federations**, the average turnover of the sector is applied.

#### Specific indicators

As for the value of specific indicators (e.g. quality of life, education), it is not calculated based on the revenue, this unavailability does not affect the calculations.

<b>Amount of CO2 emitted</b> =	Quantity emitted per € of turnover by sector	X	Stakeholder's turnover
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<b>Unavailability of CA</b> (generic indicators)	ABEI clients	Average turnover for sector O Exclusion for other sectors except P, Q
	Pro Federated Customers	Average turnover of the sector except P, Q sectors

<b>Specific indicators</b>	O	P	Q
	NC	Number of students	Number of patients

Indicator	Externality	Value of the indicator	Monetisation index
<b>GHG emissions (scope 1,2 and 3)</b>	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>
<b>Water consumption</b>	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>
<b>Residual waste generation</b>	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"> <li>(1) the increase in the purchasing power of employees relative to a non-employment situation</li> <li>(2) the avoided costs to the state of unemployment benefits.</li> </ul> <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>	$\frac{(\text{Ratio € of Value Added / € of turnover of the sector} - \text{Ratio € of payroll / € of sector turnover})}{\text{Turnover (€) of the stakeholder}}$ <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.



## METHODOLOGICAL DETAILS

### Scope of calculation

Impacts are calculated on the financing of the actors in the sector of activity identified by the NACE A code.

### Share

The share is the ratio of the outstanding credit amount to the client's liabilities.

Indicator	Externality	Value of the indicator	Monetisation index
<b>GHG emissions (scope 1,2 and 3)</b>	<p>The methodology incorporates a breakdown of GHG emissions into 13 main agricultural sectors, applied to CMB and CMSO stocks.</p> <p>The monetisation index used is the carbon price, which is the "price" of a tonne 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.</p> <p>The emission factors are calculated on the basis of LCAs conducted for the main French food products.</p>	<p>GHG emissions (T/€ of turnover) of the sector x Turnover (€) of the stakeholder <i>Source: France Stratégie Primap - Eora - Edgar</i></p>	<p>The tutelary value of Carbon <i>Source: Quinet Report</i></p>
<b>Eutrophication</b>	<p>Excessive emissions of phosphorus and nitrogen disrupt the nutrient balance of fresh and marine waters. The monetisation index represents the cost of cleaning up these damages, mainly through water filtration.</p>	<p>Nitrogen and phosphorus emissions (kg/€ of turnover) of the targeted sector x Turnover (€) of the stakeholder <i>Source: Agreste, Insee</i></p>	<p>Freshwater and seawater depollution costs (€/kg)  <i>Source: CE Delft</i></p>

\* See Glossary

**Indicator****# jobs supported****Externality**

The conversion index reflects

- (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.

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.

**Value of the indicator**

Ratio of jobs to € in the sector (FTEs/€)  
x  
Turnover (€) of the stakeholder  
*Source: Insee*

**Monetisation index**

Average net income of the sector  
(€/FTE)  
*Source: Insee*

**Added value in the territories**

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 is considered as induced, the benefits being measured at the level of the stakeholders' customers.

(Ratio € of Value Added / € of turnover of the sector  
-  
Ratio € of payroll / € of sector turnover)  
x  
Turnover (€) of the stakeholder  
*Source: Insee*

The indicator is already expressed in €, so no monetisation is required





## METHODOLOGICAL DETAILS

### Scope of calculation

The impacts are calculated on the financing of purchases in the old sector (including external loans) as well as purchases in the new sector.

### Share

The calculation of the share in the Habitat perimeter indicators is the ratio between the outstanding financing and the estimated value of the assets.

Indicator	Externality	Value of the indicator	Monetisation index
<b>GHG emissions (scope 1,2 and 3)</b>	<p>The monetisation index used is the carbon price, which is the "price" of a tonne 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.</p>	$\text{GHG emissions per m}^2 \times \frac{\text{Initial value of financing}}{\text{Average price per square metre}}$ <p>Source: ADEME</p> <p>Average regional m2 price (Aquitaine and Brittany)</p>	<p>The tutelary value of Carbon</p> <p>Source: Quinet Report</p>
<b>Consumption water</b>	<p>The cost of providing water is the cost of meeting a need and avoiding a negative impact.</p> <p>Excluding other costs incurred by water consumption.</p>	$\text{Water consumption (m}^3\text{) per m}^2 \times \frac{\text{Estimated value of the property}}{\text{Average price per square metre}}$ <p>Source: Insee, GDPE</p>	<p>The cost of water distribution</p> <p>Source: C.I.EAU</p>

Indicator	Externality	Value of the indicator	Monetisation index
Artificial soil surface	<p>The monetisation index corresponds to the value associated with the loss of services provided by natural ecosystems (forest, grassland, woodland) due to their artificialisation.</p> <p>National approach for surface types (grassland, forest...)</p>	$\begin{aligned} & \text{[Financing (€) of Habitat loans} \\ & \quad \times \\ & \text{Average floor area of the properties (m}^2\text{/€} \\ & \quad \text{financed)} \\ & \quad \times \\ & \text{Share of housing construction in Habitat} \\ & \quad \text{loans (\%)} \\ & \text{Source: SDES, Housing Policy} \end{aligned}$	<p>Valuation of ecosystem services</p> <p>Source: Global estimates of the value of ecosystems and their services in monetary units, Rudolfde Groot</p>
Surface area of anthropized soil	<p>The monetisation index corresponds to the difference between the value of the services provided by natural ecosystems (forest, grassland, woodland) and the value of the services provided by an area of anthropized green space (which is deemed to be equivalent to that of a wooded area).</p>	$\begin{aligned} & \text{Financing (€) of Habitat loans} \\ & \quad \times \\ & \text{Average area of green space (garden) of} \\ & \quad \text{properties} \\ & \quad \text{(m}^2\text{/€ financed)} \\ & \quad \times \\ & \text{Share of housing construction in Habitat} \\ & \quad \text{loans (\%)} \\ & \text{Source: SDES, Housing Policy} \end{aligned}$	



Indicator	Externality	Value of the indicator	Monetisation index
# jobs supported	<p>The conversion index reflects</p> <ul style="list-style-type: none"> <li>(1) the increase in the purchasing power of employees relative to a non-employment situation</li> <li>(2) the avoided costs to the state of unemployment benefits</li> </ul> <p>Both of these elements come back to the average net income by industry concerned.</p> <p>The indicator does not take into account :</p> <ul style="list-style-type: none"> <li>construction costs which may be lower if ancillary costs are included (i.e.: land, taxes, margins, technical costs, advertising, notary fees ...)</li> <li>the use of an Average Net Income higher than Property or Construction Income</li> <li>the client's personal contribution</li> <li>social and competition mechanisms</li> </ul>	$\begin{aligned} & \text{[Initial value of funding achieved in N} \\ & \quad \times \\ & \quad \text{Agency fees (= 5\%)} \\ & \quad \times \\ & \text{FTEs created in the real estate sector]} \\ & + \\ & \text{[Initial value of funding achieved in N} \\ & \quad \times \\ & \quad \text{Construction costs (= 95\%) attributed to new construction} \\ & \quad \times \\ & \text{FTEs created in the construction sector]} \\ & \text{Source: Insee, ESANE, Family file} \end{aligned}$	<p>Average Net Income Source: Insee</p>
# owner households	<p>The measure reflects the gains in purchasing power associated with buying a property compared to renting.</p> <p>The monetisation index does not take into account notary fees</p>	<p># housing loans for the purchase of a main residence financed</p>	$\begin{aligned} & \text{Marginal purchasing power} \\ & = \text{[Rent per m}^2 \\ & - \text{Interest and insurance paid per m}^2 \\ & - \text{Condominium charges per m}^2 \\ & - \text{Property tax per m}^2] \\ & \times \\ & \text{Surface} \\ & \text{Source: Insee, Seloger, Tacotax and DGCL} \end{aligned}$



### METHODOLOGICAL DETAILS

#### Scope of calculation

Impacts are calculated on vehicle financing (car and motorbike).

#### Share

The calculation of the share in the scope indicators is the ratio of the outstanding financing to the estimated value of the assets.

Indicator	Externality	Value of the indicator	Monetisation index
<b>GHG emissions (scope 1,2 and 3)</b>	The monetisation index used is the carbon price, which is the "price" of a tonne 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.	Number of vehicles financed x [Average km travelled x Average GHG emissions per km (T/km) <i>Source: ADEME, Ministry of Transport</i>	The tutelary value of Carbon <i>Source: Quinet Report</i>
<b># jobs supported</b>	The conversion index reflects (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. Both of these elements come back to the average net income by industry concerned.  Monetisation does not take into account social and competition mechanisms.	Value of goods financed in N (€) x FTEs created in the automotive sector (FTEs / €) <i>Source: ESANE</i>	Gain in purchasing power = Average net income (€ / FTE) <i>Source: Insee</i>
<b>Fine particle emissions</b>	The approach consists of estimating the fine particle emissions from financed vehicles (private individuals). The index reflects the human health costs of fine particle emissions according to the intensity of exposure to road traffic (main emitter).	Number of vehicles financed x [# average km driven per vehicle (km / year) x Average PM2.5 emissions (g / km)] <i>Source: CCFA, EMISIA</i>	Impact costs of PM2.5 emissions (kg PM 2.5) <i>Source: CE Delft</i>
<b># of vehicles financed</b>	The measure reflects the gain in purchasing power due to the higher salary obtained thanks to the financed vehicle. Indeed, a vehicle allows one to extend one's search area to municipalities where salaries are higher.	Number of vehicles financed in N x (1 - unemployment rate)  <i>Source: Insee</i>	Marginal purchasing power through access to employment (€) for commuters  <i>Source: Insee</i>

## 4 ENERGY SAVING WORKS



### METHODOLOGICAL DETAILS

#### Scope of calculation

The scope covers financing to individual customers of the CMA federations (Crédit Mutuel de Bretagne and Crédit Mutuel du Sud-Ouest) and Financo on their loans whose purpose is one of the following:

- Energy saving work
- Improvement works
- Conversion work

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 tonne 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.	Financing of works energy saving in N (€) x GHG emissions (T / €) <i>Source: Eurostat</i>	The tutelary value of Carbon <i>Source: Quinet Report</i>
Energy performance gains		Financing of works energy saving (€) x GHG emissions (T / €) x Energy performance gain (%) <i>Source: Eurostat, UFC Que choisir</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.	Financing of works energy saving in N (€) x Generation of hazardous & non-hazardous waste (T/€ of turnover) from the construction sector <i>Source: Eurostat</i>	Cost of hazardous / non-hazardous waste impacts (€/T) <i>Source: Eurostat</i>

Indicator	Externality	Value of the indicator	Monetisation index
# jobs supported	<p>The conversion index reflects</p> <p>(1) the increase in the purchasing power of employees relative to a non-employment situation</p> <p>(2) the avoided costs to the state of unemployment benefits.</p> <p>Both of these elements come back to the average net income by industry concerned.</p> <p>Monetarisation does not take into account social and competition mechanisms.</p>	$\frac{\text{Financing of works energy saving in N (€)}}{\text{FTEs created in construction (FTE / €)}}$ <p>Source: ESANE</p>	$\frac{\text{Gain in purchasing power}}{\text{Average net income (€ / FTE)}}$ <p>Source: Insee</p>
Purchasing power gain (€)	<p>The monetisation index reflects the increase in the purchasing power of clients relative to a situation before the financed service was carried out (e.g. insulation work)</p>	<p>Annual reduction in energy bill for every €1 invested in renovation</p> <p>Source:</p>	<p>The indicator is already expressed in €, so no monetisation is required</p>



## 4 EMPLOYEES



### METHODOLOGICAL DETAILS

#### Scope of calculation

The calculations take into account the elements relating to employees on permanent contracts, in full-time equivalent (FTE) and present in the workforce at 31/12/N.

#### Share

The calculation of the share corresponds to CMA's contribution to the generation of the non-financial impact. For impacts generated by CMA employees in the course of their professional activities, the responsibility is fully attributed to CMA.

<i>Indicator</i>	<i>Externality</i>	<i>Value of the indicator</i>	<i>Monetisation index</i>
<b>GHG emissions (scope 1, 2, 3)</b>	<p>The monetisation index used is the carbon price, which is the "price" of a tonne 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.</p> <p>Internally, GHG emissions are considered as a direct impact for the 3 scopes.</p>	<p>Quantity of GHG (in T)</p>	<p>The tutelary value of Carbon <i>Source: Quinet Report</i></p>
<b>Residual waste generation</b>	<p>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.</p>	<p>Generation of hazardous / non-hazardous waste (T/€)</p>	<p>Generation of hazardous / non-hazardous and hazardous waste (T/€) <i>Source: Insee - Eunomia - Exiopol - Singh et al.</i></p>



Indicator	Externality	Value of the indicator	Monetisation index
# jobs supported	<p>The conversion index reflects</p> <ul style="list-style-type: none"> <li>(1) the increase in the purchasing power of employees relative to a non-employment situation</li> <li>(2) the avoided costs to the state of unemployment benefits.</li> </ul> <p>Both of these elements come back to the average net income.</p> <p>Monetisation does not take into account social and competition mechanisms.</p>	Number of employees of the CM Arkéa	<p>Average net income (€) (€/FTE)</p> <p><i>Source: internal</i></p>
Additional purchasing power under the social contract	Each Arkéa employee benefits from an advantageous social contract (remuneration, paid holidays) generating additional purchasing power.	Gain in purchasing power excluding average net income	The indicator is already expressed in €, so no monetisation is required
# days of sick leave avoided / generated thanks to employee satisfaction	Satisfied employees are less absent than dissatisfied employees. Thus, the monetisation index represents the costs avoided or generated for social security as a result of employee satisfaction or dissatisfaction.	<p># average PA days x # satisfied employees x % PA days avoided in case of satisfaction</p> <p>-</p> <p># average PA days x # dissatisfied employees x % additional PA days in case of dissatisfaction</p>	<p>Value of daily allowances avoided by the CPAM (€)</p> <p><i>Source: Ameli - "Absences at work" by Chaupin-Guillot</i></p>

Indicator	Externality	Value of the indicator	Monetisation index
# accidents at work	Each day of work stoppage represents a cost to social security.	# days off work	Value of daily allowances borne by the CPAM (€) <i>Source : Ameli</i>
# alternates trained	The approach amounts to attributing to the years of training a wage gain compared to reference situations (average net earnings at BAC level for higher education).	# alternates	Annual purchasing power generated per year of higher education (€) <i>Source : Adzuna</i>
# employees with disabilities	The number of disabled employees employed by Arkéa is converted into a social gain represented by the savings made by the company compared to a situation where these people would not be employed and would therefore receive benefits related to their disability and their non-employment situation.	# employees with disabilities	Social gain (€) <i>Source: KPMG</i>

Indicator	Externality	Value of the indicator	Monetisation index
Gender pay gap	The calculation measures the loss of purchasing power resulting from the gender pay gap.	Male workforce (if male salary < female) OR female (if female earnings < male) (# employees)	Average annual salary for men - average annual salary for women (€) within Arkéa, at equivalent grade (or inverse)
# of days of mobilisation on skills sponsorship missions	The sponsorship offered represents an avoided cost for the supported structure.	# days of mobilisation on skills sponsorship missions	daily cost of employees mobilised (€)
Donation of leave between employees	Every day of leave offered represents an avoided cost to social security.	# of days of leave given	Value of daily allowances borne by the CPAM (€)  <i>Source : Ameli</i>

# 5

## OUTLOOK

# 5 IMPLEMENTATION OF THE ORDER PROCESS

**The Finance and Global Performance Department is responsible for the methodology and its evolution over time. Guidelines being implemented.**

## DATA

- Intangibility of numbers (non-transformation of data);
- Data historisation;
- Application of BCBS 239 principles relating to data quality. Eventual application of dedicated tools.

## TRACEABILITY AND AUDITABILITY

- Implementation of a data warehouse to store information on the measurement of EF impacts and associated controls;
- Implementation of an audit trail;
- Implementation of process control by permanent control and by external third parties (CAC).

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.

**LCA**

Life Cycle Assessment (LCA) identifies and quantifies the physical flows of materials and energy associated with human activities throughout the life of products.

**ANNUITY**

An annuity is the ratio of the remaining amount to be repaid to the remaining repayment period.

**EXTERNALITY**

An economic agent creates, by his activity, an external effect by providing others with a utility or a benefit free of charge, or a nuisance, a damage without compensation.

**EMISSION FACTOR**

A factor corresponding to the total direct and indirect emissions that were necessary during the entire life of a process, product or service.

**MONETISATION INDEX**

An indicator that translates an effect into a monetary value.

**MATERIAL**

Characterises what is significant.

A blurred background image showing several people in an office setting, focused on working with a large architectural model. The model appears to be a multi-story building with various sections and materials like wood and white foam. Red geometric shapes are overlaid on the top-left and bottom-right corners of the image.

**THANK  
YOU**

Crédit Mutuel  
**ARKEA**

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