

A photograph of a traditional stone windmill with four wooden sails, situated in a field of white flowers. The sky is a clear, bright blue. The windmill is made of light-colored stone and has a dark wooden roof. The sails are made of dark wood with horizontal slats. The foreground is filled with out-of-focus white flowers, likely cow peas, on green stems. The overall scene is bright and sunny.

ALLOCATION AND IMPACT REPORT

NEU CP ESG

APRIL 2024





Crédit Mutuel Arkéa's NEU CP ESG programme is broken down into three compartments: NEU CP Green, NEU CP Social and NEU CP Durable (Sustainable), which make it possible to issue according to the eligible asset categories defined in [Crédit Mutuel Arkéa's Green, Social and Sustainable Bond Framework](#).

This report includes the NEU CP ESG issues carried out in 2023 and which constitute the current outstandings at 31 December 2023.

In order to take into account the short maturity of NEU CPs (less than or equal to one year), NEU CP ESG reports are published on a half-yearly basis.



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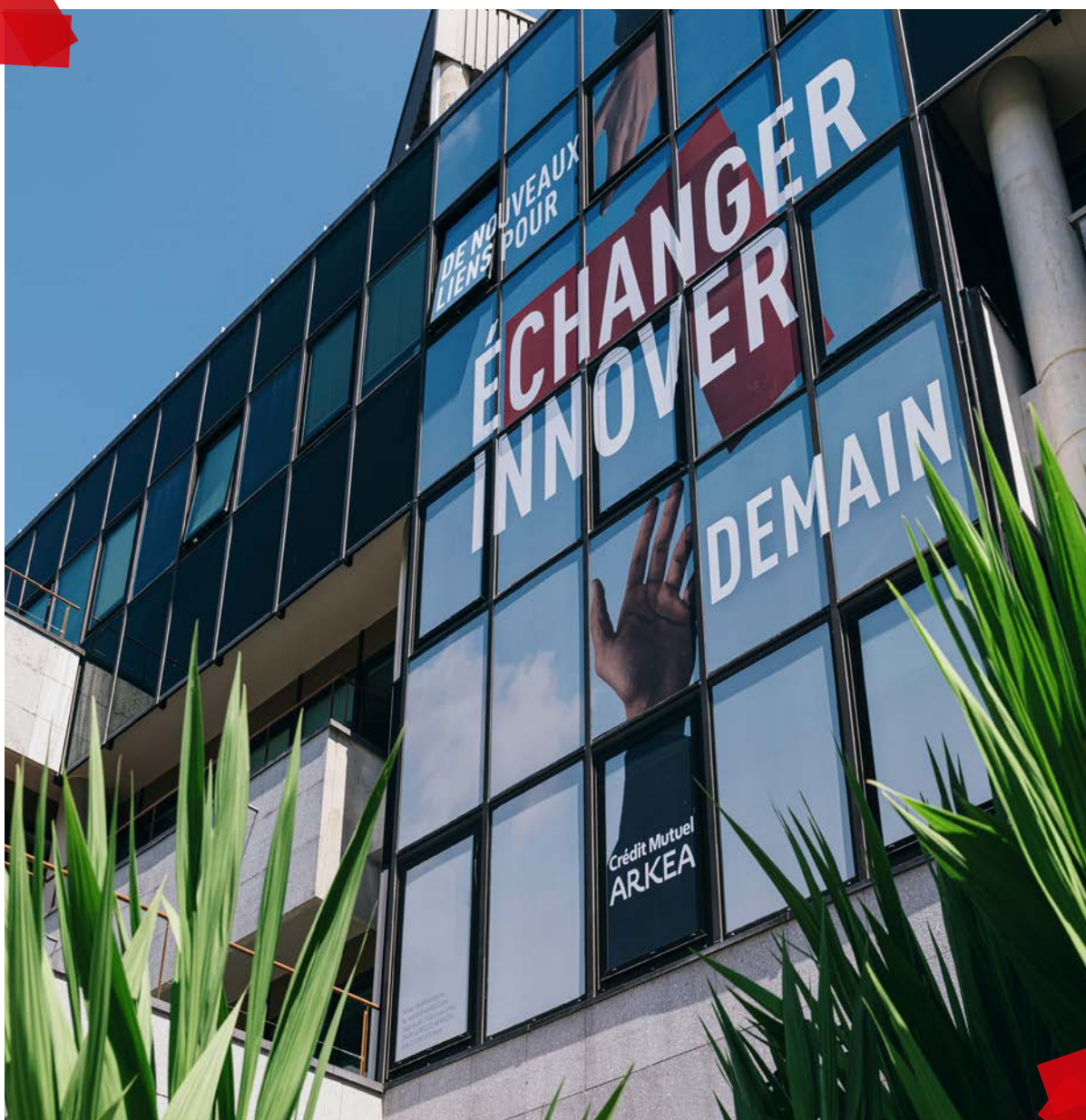
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ISSUES OF CREDIT MUTUEL ARKEA NEU CP ESG

Crédit Mutuel Arkéa is the first French bank to have issued NEU CP Green through its NEU CP ESG programme, available on the Banque de France website: <https://eucpmtn.banque-france.fr/public/#/liste-des-emetteurs/3f8b9dec-b611-ea11-80f7-001dd8b71ea9>

The second half of 2023 was marked by the completion of the first issues of NEU CP Social for an amount of €125 million in outstandings at 31 December 2023. NEU CP Green format outstandings also increased from €565 million at 30 June 2023 to €652.5 million at 31 December 2023, bringing **NEU CP ESG total outstandings to €777.5 million.**



Breakdown of outstandings by issue:

Issue date	ISIN	Format	NOMINAL AMOUNT OF ISSUE (in M€)	Maturity
27.04.2023	FR0127988261	NEU CP GREEN	40	18.03.2024
24.05.2023	FR0128019280	NEU CP GREEN	50	26.02.2024
24.05.2023	FR0128019710	NEU CP GREEN	10	24.04.2024
06.06.2023	FR0128039940	NEU CP GREEN	15	06.06.2024
14.06.2023	FR0128045707	NEU CP GREEN	5	14.06.2024
05.07.2023	FR0128072586	NEU CP GREEN	36.5	03.04.2024
06.07.2023	FR0128075175	NEU CP GREEN	100	08.01.2024
12.07.2023	FR0128097062	NEU CP GREEN	6	11.07.2024
18.07.2023	FR0128103357	NEU CP GREEN	20	18.01.2024
19.07.2023	FR0128103332	NEU CP GREEN	25	19.01.2024
21.07.2023	FR0128114552	NEU CP GREEN	35	20.05.2024
10.08.2023	FR0128168665	NEU CP SOCIAL	50	09.08.2024
05.10.2023	FR0128230820	NEU CP SOCIAL	50	04.10.2024
03.11.2023	FR0128309210	NEU CP SOCIAL	25	01.11.2024
03.11.2023	FR0128309202	NEU CP GREEN	25	01.11.2024
08.11.2023	FR0128323393	NEU CP GREEN	25	07.05.2024
08.11.2023	FR0128323369	NEU CP GREEN	25	08.11.2024
14.11.2023	FR0128325364	NEU CP GREEN	25	14.05.2024
16.11.2023	FR0128325869	NEU CP GREEN	25	14.06.2024
17.11.2023	FR0128327055	NEU CP GREEN	10	17.11.2024
23.11.2023	FR0128328046	NEU CP GREEN	50	23.07.2024
04.12.2023	FR0128349372	NEU CP GREEN	10	04.12.2024
08.12.2023	FR0128350826	NEU CP GREEN	50	07.06.2024
11.12.2023	FR0128351337	NEU CP GREEN	25	11.12.2024
15.12.2023	FR0128355825	NEU CP GREEN	20	02.12.2024
21.12.2023	FR0128356773	NEU CP GREEN	20	20.12.2024
TOTAL			€777.5 million	

ALLOCATION OF AMOUNTS RAISED

As of the date of this report, the amounts raised during the NEU CP ESG issues carried out by Crédit Mutuel Arkéa have been allocated in full.

NEU CP Green

Eligible asset classes financed or refinanced by NEU CP Green issues *(extract from the framework)*:

> Green Buildings

> Residential buildings

Loans to finance new dwellings since granted from 1 June 2013 in line with RT2012⁽¹⁾ regulation as a minimum requirement.

The pool of eligible assets of the NEU CP Green issues consists entirely of housing loans distributed by the Crédit Mutuel de Bretagne and Crédit Mutuel du Sud Ouest federation networks in 2020 and 2021 for the acquisition of new homes, mainly in Brittany and Nouvelle-Aquitaine and complying with the RT2012 standard (see methodology on page 10).

There are 8,844 loans for 3,653 customers and a total outstanding principal of €652,502,387 at 31 December 2023,

NEU CP Social

Eligible asset classes financed or refinanced by NEU CP Social issues:

> Affordable housing

Loans dedicated to the financing of regulated social housing schemes including:

- "Prêt d'Accession Sociale" (PAS)
- Loans to social housing landlords

The pool of assets eligible for NEU CP Social issues consists entirely of loans to social landlords in France granted in 2020 and 2021 by Arkéa Banque Entreprises et Institutionnels.

There are 61 loans with outstanding principal of €125,642,940 at 31 December 2023.

⁽¹⁾ RT2012 regulation: primary energy consumption for residential buildings limited to 50kWh/m²/year.



IMPACT INDICATORS

NEU CP Green

Alignment with the UN Sustainable Development Goals (SDGs):



7.3 By 2030, double the global rate of improvement in energy efficiency



13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

According to the methodology described on page 10, **the 8,844 loans selected** for these issues and granted by Crédit Mutuel de Bretagne and Crédit Mutuel du Sud-Ouest to private individuals for the acquisition of new homes meeting the RT2012 standard enable:

energy savings of
68,384,160 kWh/PE/year and avoid
5,754 TCO₂eq/year
in greenhouse gas emissions.

NEU CP Social

Alignment with the UN Sustainable Development Goals (SDGs):



10.2 By 2030, empower all people and promote their social, economic and political integration, regardless of age, gender, disability, race, ethnicity, origin, religion or economic or other status



11.1 By 2030, ensure access for all to adequate and safe housing and basic services at an affordable cost, and improve slum areas

According to the methodology described on page 10, **the 61 loans selected** for these issues and granted by Arkéa Banque Entreprises et Institutionnels to social landlords in France have enabled:

the building or rehabilitation of 3,860 housing units for 8,492 beneficiaries, and also the financing of works to maintain, repair or improve living conditions.



4.1 General information

Erosion of the pool

The pool of eligible assets may suffer erosion due to the amortisation of loans or early repayments. Each half-year, an assessment is made of the outstanding principal under pool loans. If erosion is identified, new eligible loans are added to the pool so that the total amount remains equal to that of the associated issue.

Refinancing of pool loans in the event of a transaction not renewed by the investor:

In the event that a portion of the loans in the pool of eligible assets is no longer refinanced due to the fact that a NEU CP reaching maturity is not renewed, the refinancing will be provided by Crédit Mutuel Arkéa while a new investor is found so that the amount of outstanding NEU CP ESG is once again equal to that of the asset pool.

4.2 Eligible loans

Habitat Vert (green housing loans)

Housing financed by loans granted less than 36 months before the issue date of the NEU CP to private individuals for the purchase or construction of a new home (purpose of the loan: "new purchase", "construction only", "construction + land", "off-plan sales") is considered to comply with the RT2012 standard, mandatory in France between 1 January 2013 and 31 December 2021 for the construction of new housing.

Habitat Social (social housing loans)

Loans granted by Arkéa Banque Entreprises et Institutionnels to social landlords less than 36 months before the NEU CP issue date. The purpose of the loans is the construction or renovation of social housing in France as well as maintenance, repair or improvement of living conditions.



4.3 Impact calculation methodology

Green housing loans

To achieve carbon neutrality in 2050 and to comply with the objectives of the Paris Agreement, the acceleration of the transitions initiated in the areas of energy efficiency and sobriety is essential.

Buildings are the most energy-intensive sector in France. The sector represents 42% of total final energy and generated 23% of greenhouse gas (GHG) emissions in 2020, according to the Ministry for the Ecological Transition.

Faced with these challenges, the renovation of homes as well as the development of low-energy homes play a central role in the forward-looking scenarios for alignment with the objectives of the Paris Agreement and the French national Low-Carbon Strategy.

National low-carbon strategy

The portfolio of eligible assets consists entirely of housing loans granted to individual customers by the local banks affiliated with the Crédit Mutuel de Bretagne and Crédit Mutuel du Sud-Ouest federations for the construction and acquisition of new homes, mainly in Brittany and Nouvelle-Aquitaine. These homes comply with the RT2012 thermal regulation, which sets requirements in terms of energy consumption, comfort and building design.

The estimated impact of housing financed by housing loans granted by the local banks affiliated with the Crédit Mutuel de Bretagne and Crédit Mutuel du Sud-Ouest federations is defined according to two key indicators:

- > annual energy savings in primary energy (kWhPE/year)
- > the greenhouse gas emissions avoided annually (TCO₂eq)

For home loans granted to individual customers, Crédit Mutuel Arkéa does not currently have all the actual data necessary to calculate these impact indicators. Thus, to estimate them, the choice has been made to use the statistical data made available by the Ministry for the Ecological Transition, ADEME (French Environment and Energy Management Agency) and by the OID (Sustainable Real Estate Observatory).

Two assumptions have also been made:

- > For the projects of individual customers: 100% of the impact of housing is allocated to the financing of Crédit Mutuel Arkéa.
- > The same home may be financed by several loans from the pool of eligible assets. To avoid counting the same home several times in the impact calculation, we consider all loans with the same customer identifier as a single loan:

$$\begin{aligned} & \text{number of customer identifiers} \\ & = \\ & \text{number of loans} \\ & = \\ & \text{number of homes.} \end{aligned}$$

Thus, the 8,844 loans selected are recognised for 3,653 homes for the calculation of the impact.



Concerning primary energy saving data:

The RT2012 regulation reduces the cap on energy consumption to 50 kWhPE/m²/year (primary energy calculation). The cautious assumption that homes complying with the RT2012 regulation have an energy performance of 50 kWhPE/m²/year, was used. Each asset therefore has a default energy performance of 50 kWhPE/m²/year.

Quantifying energy savings depends on the choice of the reference scenario. Since all selected home loans finance housing located in Brittany and Nouvelle-Aquitaine, the reference base identified as the most relevant is the average primary energy consumption of housing in the Brittany and Nouvelle-Aquitaine regions.

According to data for the H2 climate zone revealed by the Phebus survey of the French Ministry for the Ecological Transition (Housing Performance Survey, Facilities, Needs and Uses of energy), it amounted to 258 kWhPE/m²/year in 2018 in the Brittany and Nouvelle-Aquitaine regions.

Annual energy savings in primary energy
of a home (kWhPE/year)

=

(Average energy consumption of housing
units by climatic zone (kWhPE/m²/year)

RT2012 energy consumption ceiling
(kWhPE/m²/year))

x

Average surface area

With regard to avoided emissions:

The “**avoided emissions**” indicator aims to calculate the GHG emissions avoided thanks to the financing of a low-emission home in comparison with a reference scenario corresponding to the average GHG emissions of a home in the geographical area.

To calculate **these avoided GHG emissions**, it is necessary to have **the annual primary energy savings achieved** and the **average emission factor related to the primary energy consumption of a home in France**.

This is the formula used:

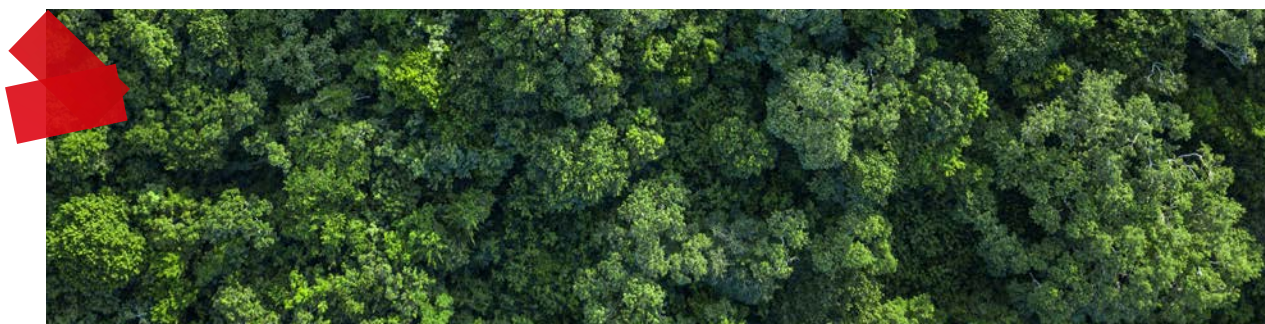
Emissions avoided by home
(kgCO₂eq/year)

=

Annual energy savings in primary energy
of a home (kWhPE/year)

x

Average emission factor of a kWh of primary
energy (kgCO₂/kWhPE)



To calculate the **emission factor for a kWh of primary energy consumption (PE)**, a **conversion factor⁽¹⁾** is applied to the **emission factor of one kWh of final energy consumption (FE)**.

> **The average emission factor for a home's final energy consumption** in France depends on its average energy mix.

In 2020, in France, **the average emission factor for one kWh of final energy** in a home was 0.13 kgCO₂/kWhFE.

> Based on the **calculated conversion factor**, it is possible to estimate that 1 kWhPE is equivalent to 0.6473 kWhFE.

$$\begin{array}{c} \text{Average emission factor of a kWh} \\ \text{of primary energy (kgCO}_2\text{eq/kWhFE)} \\ \times \\ \text{Conversion factor} \end{array}$$

To calculate the total annual avoided emissions for the scope of the portfolio, the estimated result per home is multiplied by the number of assets financed.

Social housing loans

The number of beneficiaries of financed housing was calculated by multiplying the number of financed housing units by the average number of occupants in France (main residence) according to INSEE. Or 2.2 occupants per home in France in 2020.

⁽¹⁾ Factor calculated based on the conversion factors used to switch from final energy to primary energy, applied to the average energy mix of homes.



APPENDIX





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Crédit Mutuel Arkéa

Report of the independent practitioner on the verification of a selection of information disclosed in the Allocation and Impact Report NEU CP ESG as at December 31st 2023

Year ended December 31st 2023
Crédit Mutuel Arkéa
1, rue Louis Lichou, 29480 Le Relecq-Kerhuon

KPMG S.A., a French audit and accounting limited liability company registered with the Paris Association of Chartered Accountants under n°14-30080101 and a member of the Regional Association of statutory auditors of Versailles and Centre.

A French company, member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a Private English company limited by guarantee.

Public limited company with board of directors

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Crédit Mutuel Arkéa

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Report of the independent practitioner on the verification of a selection of information disclosed in the Allocation and Impact Report NEU CP ESG as at December 31st 2023

Year ended December 31st 2023

To the President,

In our capacity as independent practitioner, and in response to your request related to the issuances of ESG NEU CP, we have undertaken a limited assurance engagement on the following information (the "Information"), presented in the Allocation and Impact Report NEU CP ESG (the "Report") by Crédit Mutuel Arkéa (the "entity"), available on the entity's website:

- the allocation, as of December 31st 2023, of funds raised by the entity through the Negotiable European Medium Term ESG Commercial Paper issued until December 31st 2023 (the "Issuances") contained in the Report,
- the projects financed by the Issuances and identified as eligible by the entity ("Eligible Projects").

The Information has been prepared in the context of the "Green, Social & Sustainability Bond Framework" (hereinafter the "Framework") defined by the entity, and in accordance with the basis of preparation set out in section 4.1 of the Report, available on the entity's website¹.

Conclusion

Based on the procedures we performed, as described under the "Nature and scope of procedures" paragraph, and the evidence we obtained, nothing has come to our attention that causes us to believe that the Information is not prepared, in all material respects, in accordance with the Framework and in accordance with the basis of preparation set out in section 4.1 of the Report, available on the entity's website.

Preparation of the Information

The absence of a commonly used and generally accepted reporting framework or of a significant body of established practices on which to draw to assess and measure the Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Framework and with the basis of preparation set out in section 4.1 of the Report.

Responsibility of the entity

Management of the entity is responsible for:

- selecting or establishing suitable criteria for preparing the Information,

¹ https://www.cm-arkea.com/banque/assurance/credit/mutuel/c_37866/fr/page-de-contenu-green-social-bonds

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- selecting the Eligible Projects regarding the eligible criteria,
- preparing the Information in accordance with the “Framework” and with the basis of preparation set out in section 4.1 of the Report, and
- designing, implementing, and maintaining internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

Responsibility of independent practitioner

Based on our work, our responsibility is to provide a report expressing a limited assurance conclusion on the fact that the Information is free from material misstatement, whether due to fraud or error, and has been prepared, in all material respects, in accordance with the Framework and in accordance with the basis of preparation set out in section 4.1 of the Report.

As we are engaged 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 doing so may compromise our independence.

It is not our responsibility to:

- Challenge the eligibility criteria as defined in the Framework, and, in particular, we give no interpretation on the final terms of this Framework,
- Form an opinion on the effective use of the funds allocated to the Eligible Projects after such funds were allocated.

Applicable professional guidance

We performed our limited assurance engagement in accordance with the professional guidance issued by the French Institute of statutory auditors (Compagnie nationale des commissaires aux comptes “CNCC”) applicable to such engagement and international standard ISAE 3000 (revised)².

Our independence and quality control

Our independence is defined by the provisions of Article L. 822-11 of the French Commercial Code and the French Code of Ethics for Statutory Auditors (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures aimed at ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement.

Means and resources

Our work was carried out by an independent and multidisciplinary team including specialists in sustainable development and corporate social responsibility.

² ISAE 3000 (Revised) - Assurance Engagements Other Than Audits or Reviews of Historical Financial Information

Crédit Mutuel Arkéa

Report of the independent practitioner on the verification of a selection of information disclosed in the Allocation and Impact Report NEU CP ESG as at December 31st 2023
Year ended December 31st 2023



Nature and scope of procedures

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Information is likely to arise.

To assess this risk, we took into account the entity's internal controls on the preparation of the Information in order to design appropriate assurance procedures, and not with the purpose of expressing a conclusion as to the effectiveness of the entity's internal control system.

The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Information:

- We identified and conducted several interviews with the persons responsible for the collect of the Information, with the Directions in charge of overseeing the collect of the Information and, where appropriate, with those responsible for internal control and risk management procedures,
- We assessed the suitability of the procedures used by the entity to report the Information with respect to their relevance, completeness, reliability, neutrality and understandability, taking into account, where appropriate, best practices within the sector,
- We verified the existence of internal control and risk management procedures implemented by the entity,
- We verified the consistency of the Information with the accounting records and underlying data,
- We reviewed the processes used for data collection, aggregation, processing, monitoring and control, in particular the procedures relating to the allocation of funds as of December 31st 2023,
- On the basis of a representative sample of projects, namely refinanced loans:
 - verify the eligibility of these projects with regard to the eligibility criteria defined in the Framework,
 - verify the concordance of the amounts of the projects as of December 31st 2023, with the accounts and the data underlying the accounts,
- verify that the amount of funds allocated to projects is less than or equal to the amount of these projects as of December 31st 2023.

The procedures performed in a limited assurance review are less in extent than for a reasonable assurance opinion in accordance with the professional guidance of the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*), a higher level of assurance would have required us to carry out more extensive procedures.

This report has been prepared within the context described above and may not be used, distributed or referred to for any other purpose.

Crédit Mutuel Arkéa

Report of the independent practitioner on the verification of a selection of information disclosed in the Allocation and Impact Report NEU CP ESG as at December 31st 2023
Year ended December 31st 2023



Paris la Défense, 23 avril 2024

KPMG S.A.

A stylized, abstract signature in black ink, consisting of several overlapping loops and lines.

Audrey Monpas
Partner

A stylized, abstract signature in blue ink, consisting of several overlapping loops and lines.

Brice Javaux
ESG Expert

Crédit Mutuel Arkéa

Report of the independent practitioner on the verification of a selection of information disclosed in the Allocation and Impact Report NEU CP ESG as at December 31st 2023
Year ended December 31st 2023

Appendix



ALLOCATION OF AMOUNTS RAISED

As of the date of this report, the amounts raised during the NEU CP ESG issues carried out by Crédit Mutuel Arkéa have been allocated in full.

NEU CP Green

Eligible asset classes financed or refinanced by NEU CP Green issues (extract from the framework):

- > Green Buildings
- > Residential buildings

Loans to finance new dwellings since granted from 1 June 2013 in line with RT2012¹⁰ regulation as a minimum requirement.

The pool of eligible assets of the NEU CP Green issues consists entirely of housing loans distributed by the Crédit Mutuel de Bretagne and Crédit Mutuel du Sud Ouest federation networks in 2020 and 2021 for the acquisition of new homes, mainly in Brittany and Nouvelle-Aquitaine and complying with the RT2012 standard (see methodology on page 10).

There are 8,844 loans for 3,653 customers and a total outstanding principal of €652,502,387 at 31 December 2023.

NEU CP Social

Eligible asset classes financed or refinanced by NEU CP Social issues:

> Affordable housing

Loans dedicated to the financing of regulated social housing schemes including:

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- Loans to social housing landlords

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There are 61 loans with outstanding principal of €125,642,940 at 31 December 2023.

¹⁰ RT2012 regulation: primary energy consumption for residential buildings limited to 50kWh/m²/year.





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Crédit Mutuel
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CREDIT MUTUEL ARKEA

NEU CP ESG ALLOCATION
AND IMPACT REPORT
APRIL 2024

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