Pillar 3 Report

12.31.2024

Contents

1. Risk management objectives and policies

The Crédit Mutuel Arkéa group is a banking and insurance group. It comprises Crédit Mutuel Arkéa, the Crédit Mutuel de Bretagne and Crédit Mutuel du Sud-Ouest networks as well as specialized subsidiaries that cover all banking and financial business lines. These subsidiaries, created to expand the Crédit Mutuel Arkéa group's product and service offering, reflect the Group's desire to constantly improve its service to its members and customers – individuals, local professionals and businesses – and to contribute to the development of the regions by helping local authorities and institutions to finance their infrastructure.

With the current challenges of the banking profession today, the Crédit Mutuel Arkéa group continues to promote a corporate culture that constantly adapts to changes in the environment in which the activities that underpin its corporate purpose operate. The initiatives undertaken in recent years aim to support technological changes, the emergence of new players, changes in customer behavior and the integration of new non-financial factors such as ESG criteria and the fight against climate change.

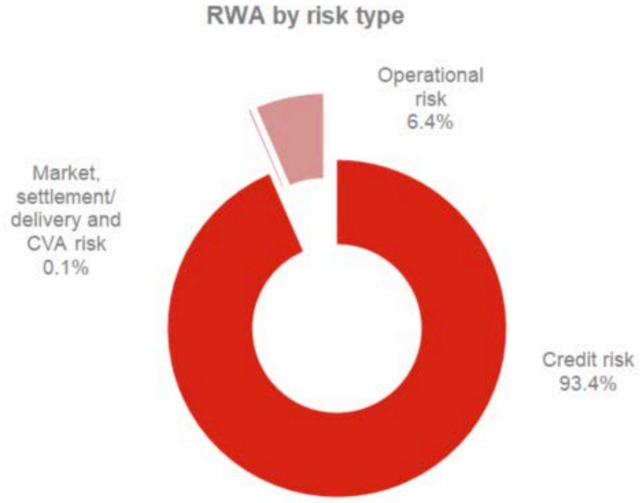
The level of capital accumulated over the years reflects the recurring nature of the income and earnings generated by the Group's business model. It illustrates the confidence generated and sustained as part of the development strategy combined with a diversified and moderate risk profile.

The Pillar 3 report serves as a supplement to Crédit Mutuel Arkéa's 2024 Universal Registration Document (URD).

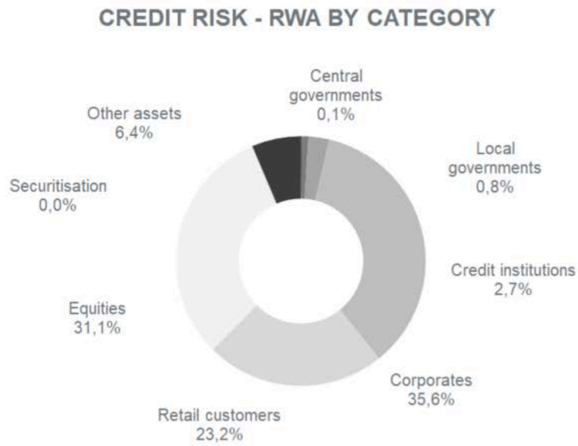
1.1. Risk profils

Retail banking and insurance constitute the Crédit Mutuel Arkéa group's core business, as evidenced by the share of credit risk in the Group's total capital requirements (93.4% at end-2024) with a predominance of the retail customer.

In € thousands	**December 31, 2024**	December 31, 2023
Total capital	9,942,042	9,966,336
Tier 1 capital	8,551,493	8,400,021
Common Equity Tier 1 (CET1) capital	8,551,493	8,400,021
Net income, group share, transferred to reserves	303,411	329,981



Leverage ratio: 6.4%
Overall solvency ratio: 19.5%
CET1 ratio: 16.8%
Financial conglomerate ratio: 158%
LCR ratio: 147%



This risk profile reflects the strategy and associated risk management implemented by the Crédit Mutuel Arkéa group.This management, which is under Crédit Mutuel Arkéa's control, is applied by each of the Group's entities.

To sustain its results, the Crédit Mutuel Arkéa group aims to achieve:

- high levels of security in terms of solvency and liquidity, which are closely monitored and are factors that instill trust in both customers and investors contributing to the Group's refinancing;
- sufficient resistance to multiple adverse stress scenarios (liquidity drying up, substantial distortion of the yield curve, deterioration of the market values of exposed assets, deterioration of the ability of issuers of the debt instruments held and of

borrower clients to make repayments) or difficulties limited to certain business sectors or key players.

Achievement of these objectives relies mainly on:

- a solvency policy designed to maintain the Crédit Mutuel Arkéa group’s financial solidity on a long-term basis, from a conglomerate perspective, and to ensure prudent management of solvency by Crédit Mutuel Arkéa’s dedicated teams in order to meet Pillar 1 and Pillar 2 regulatory capital requirements on a long-term basis. Based on a prudential capital structure with a high proportion of reserves, this policy entails the definition of a safety margin enabling the Group to continue its development in the context of future regulatory changes and the levels expected by counterparties (rating agencies, investors). Internal capital allocation is managed in order to match the estimated risk level and the regulatory requirements of each entity within the conglomerate. These principles therefore also apply to the Group’s insurance subsidiaries.
- a liquidity risk policy that is prudent since it is designed to contribute to the continuity of the Group’s activities even over long periods of unfavorable developments. Crédit Mutuel Arkéa acts as a central source of refinancing and replacement for all entities within the Group’s banking scope. Internal liquidity allocation is managed with a view to ensure that the subsidiaries have access at all times to liquidity (exclusively with Crédit Mutuel Arkéa) enabling them to comply with regulatory and internal rules.
- an interest rate risk policy in which Crédit Mutuel Arkéa manages the overall interest rate position within the consolidated banking scope. Crédit Mutuel Arkéa operates as a central interest rate management unit for all the Group’s banking activities, including a refinancing unit, in a measured and controlled manner, which enables the Group to obtain the best conditions at the time, taking into account the business activity and the current and future interest rate environment. Internal transactions are managed to ensure that there is no interest rate risk for the local banks and banking subsidiaries. The operational implementation in the form of limits reflects the prudence of the policy implemented.
- a credit risk policy which, based on an internal rating system and a prudent hedging policy, ensures good control of risk and capital utilization:
  - the loan portfolio comprises a very diversified customer base in which individuals represent the largest share alongside local professionals (artisans, small businesses, farmers, etc.), non-profit organizations, SMEs and large companies, as well as local authorities and institutions. The lending policy is based on in-depth knowledge of the borrower, its business, the purpose for which the loan is to be used and the application of a tried-and-tested internal rating system, based mainly on statistical models approved by the supervisory authority, or an approval scoring system for consumer loans approved at the point of sale. When deciding whether or not to lend, more importance is placed on the customer's intrinsic ability to repay the loan than on the value of the collateral;
  - cash investments also reflect a higher quality credit risk, with a significant preponderance of investment grade outstandings. These cash amounts are invested mainly in instruments issued by French and European sovereigns or European financial counterparties, a large proportion of which are in the form of covered bonds.

- a <u>prudent market risk policy</u>, with no trading activity, as evidenced by a very low capital requirement limit, since transactions carried out on behalf of customers are systematically market-based.

  Market risk exposure mainly concerns the portfolio dedicated to liquidity management, consisting of debt securities and therefore sensitive to spread and interest rate risks, it being specified that fixed-rate securities are systematically matched by the Group’s central interest rate risk management unit managed by Crédit Mutuel Arkéa. Residual interest rate risk arises from adjustable rates. In addition, the foreign exchange risk remains negligible with a very low foreign exchange position thanks to the implementation of hedges, where appropriate.

  The derivative market activities also give rise to credit valuation adjustment (CVA – Credit Valuation Adjustment) risks and risks relating to the financing of part of these instruments (FVA – Funding Valuation Adjustment).

- an <u>insurance business management policy</u> capable of supporting the Group's core business, based on profitability and solvency objectives, within a controlled risk framework:
    - described in the appetite frameworks specific to each company, defined in compliance with the Group’s framework and under its control, this policy ensures that the risk levels incurred by the insurance business are compatible with the guidelines and policies set by the Crédit Mutuel Arkéa group;
    - it aims to ensure the proper delivery of services in accordance with the commitments made to policyholders;
    - it also specifies the principles relating to the management and control of underwriting and provisioning risks and the technical risks specific to these activities.

- an <u>operational risk policy</u>, the aim of which is to ensure that the processes of all of the Group’s entities are and remain as reliable, secure and efficient as possible. This policy plays a part in increasing the satisfaction of members and customers and in ensuring the sound financial health of the Crédit Mutuel Arkéa group by minimizing the cost of incidents and the equity required to cover them.

  In the area of IT risk (including cyber risks), the Group’s appetite is illustrated by:
    - the choice of complete control of its information system;
    - strict data protection and security rules governed by dedicated policies;
    - the priority given to technological innovation for the benefit of the Group’s members and customers, entities, partners and employees and digital transformation to address specific associated risks.

  In addition, the operational risk policy includes the preventive consideration of risk, including responsibility for litigation (or legal risk, resulting from any imprecision, deficiency or insufficiency, real or assumed, which may be attributable to the reporting company in its operations) external fraud and cyber risk, from the design or significant development of any process, including when these are outsourced. The management of the outsourcing process, the implementation of which must make it possible to effectively control the services and remain a reference partner with the Group’s suppliers, relies as far as possible on companies located in the regions in which the Group operates, consistent with its Raison d’être (purpose), making it possible to achieve the strategic objectives with a view to pooling and optimizing costs.

  It is implemented by means of:

    - coordinating the operational risk management systems, which notably includes the Emergency and Business Continuity Plan;
    - a self-assessment of the impacts in ordinary and exceptional circumstances supplemented by action plans intended to reduce the effects of the recurrence of such risks or to eliminate their causes, where this is possible and can be justified on economic grounds.

- a non-compliance risk prevention and control policy, formalized by the Group Compliance Charter, aimed at protecting the Group from any risk of sanctions, financial loss or reputational damage while also protecting the interests of customers. Compliance risks are monitored in four major areas:
    - financial security, including anti-money laundering and terrorist financing measures;
    - business conduct and professional ethics;
    - protection of customers' interests;
    - fiscal transparency.

  Personal data protection is also covered by a dedicated system and a specific organization.

  In concrete terms, this policy entails:
    - drawing up a non-compliance risk map;
    - overall coordination of the implementation of the system by the Compliance and Permanent Control Department to ensure consistent practices within the Group.
- a strategic risk management policy aimed at:
    - ensuring the relevance of the strategic objectives pursued by the Group in the development of its business model, in view of the endogenous and exogenous context;
    - to preserve and protect Crédit Mutuel Arkéa's strategic, financial and operational autonomy in the implementation of its strategic priorities;
    - ensuring over time that the actions and initiatives of the Group's entities comply with the strategic goals set out by the Board of Directors in the context of medium-term planning. The risk appetite shown by the Group in this regard is low insofar as the strategic goals defined by the Group stem directly from the company's Raison d'être (purpose).
- a reputational risk management policy aimed at protecting the Group's reputation, by preventing the occurrence of such a risk but also by managing incidents according to a crisis management system that involves short-term and long-term communication and a return to normal status. In this respect, the Group shows a very low risk appetite, wishing to protect what constitutes one of its most valuable assets, any damage to which could impact its attractiveness, the level of customer confidence, or the ability of customers to recommend the Group.
- an ESG risks management policy, aimed at gradually integrating these risks and the mechanisms for transmitting them to other types of risk (mainly credit risk) into existing systems, in line with the development of the regulatory framework. The implementation of this policy aims to ensure that risk-taking is consistent with the commitments made in the Group's Raison d'être (purpose), climate change strategy and the status of "banque à mission" (bank with a mission), and to reduce the carbon foot print of the conglomerate's activities. The environmental risk management policy

aims to take into account the impacts of climate risks, in particular by managing exposures by ESG rating, by sector (based on their sensitivity to physical risk and transition risk) and by geographic location.

- a model risk management policy aimed at gradually integrating monitoring of the models used by the Group and an assessment of the risk associated with its key models in order to minimize their materiality and control the associated level of capital.

1.2. Risk governance

Risk governance is based on the structure of the risk management function within the Group, the management body of Crédit Mutuel Arkéa and each of its entities.

The structure of the risk management function comprises various participants:

- the supervisory body: the Board of Directors of Crédit Mutuel Arkéa and the Risk and Internal Control Committee for the Group and the Board of Directors or Supervisory Board of each entity;
- the executive body: the Executive Committee and the Risk Monitoring Committee for the Group and the General Management/Executive Board/Management Committee as well as the Risk Monitoring Committee or its equivalent for each entity;
- the head of the risk management function: the Head of Risk Management for the Crédit Mutuel Arkéa parent company and the Group, and the manager designated for each entity;
- the correspondents for each type of risk: the persons designated for each entity.

Supervisory bodies

Supervisory body, i.e. its Board of Directors or Supervisory Board, is involved in risk management. It approves the risk appetite framework and its quantified indicators. This involves setting the limits of the risk indicators of the appetite frameworkand monitorsongoing compliance with them via the regular updates it receives from the executive body.

The risk management factors set by Crédit Mutuel Arkéa's Board of Directors apply to the entire Group. The risk management thresholds, limits and/or objectives set by the supervisory bodies of the subsidiaries are therefore compatible and consistent with the factors adopted by Crédit Mutuel Arkéa's Board of Directors.

The Risk and Internal Control Committee, an offshoot of Crédit Mutuel Arkéa's Board of Directors, is responsible for assisting the Board in managing the risks associated with Crédit Mutuel Arkéa's activities, in accordance with the administrative order of November 3, 2014, as amended by the administrative order of February 25, 2021 (hereinafter referred to as the "**administrative order of November 3, 2014**". It is responsible for monitoring the effectiveness of the Group's internal control (permanent and periodic) and risk management systems. Its role involves "*assessing in particular the consistency of the risk measurement, monitoring and management systems and proposing, as necessary, additional action in that regard*[1]*.*" The Risk and Internal Control Committee is presented with an overview of the Group's risk situation drawn up at the end of each quarter, supplemented by a trend. In addition to this, there is a presentation of the annual review of the risk appetite framework

[1] Extract from the Risk and Internal Control Committee's Operating Charter

and of the system of limits, risk by risk, the results of ICAAP (Internal Capital Adequacy Assessment Process) and ILAAP (Internal Liquidity Adequacy Assessment Process) processes and this document.

Executive bodies

Each entity's executive bodies are responsible for managing the risks associated with their activities. Thus, Crédit Mutuel Arkéa's Executive Committee is responsible for the Group's risk management, for which it is accountable to Crédit Mutuel Arkéa's Board of Directors.

As such, it draws up the Group's risk appetite framework, which it then puts forward to the Board of Directors for approval. It also validates the management thresholds put forward to it by the Group Risk Monitoring Committee It is regularly informed of the group's risk situation through risk overviews.

The effective managers of each Group entity have the same role and the same rights at their level, with the understanding that the risk management policy specific to each entity must be consistent with that of the Group. This applies particularly to the system of limits and the group procedures applied by each entity.

Under the delegation of authority by Crédit Mutuel Arkéa's Executive Committee, the Risk Monitoring Committee and dedicated ad hoc committees (the ALM and Capital Management Committee, the IT Governance Committee, the Counterparties Committee, etc.) are responsible for the overall monitoring of all risks associated with the Group's activities, including all of the following:

- the proposal of the risk appetite framework and associates boundary disposal approval of the management policy for each Crédit Mutuel Arkéa group risk;
- monitoring of the results of the implementation of these policies and, in particular, controlling compliance with the objectives, as well as the impacts on earnings and the regulatory ratios both in actual and forecast situations;
- reviewing any measure necessary or useful in managing these risks.

These provisions also apply to the body that acts as the Risk Monitoring Committee for each entity. Depending on its size, each entity has a Risk Monitoring Committee or a committee covering both "permanent control" and "risk".

Under this structure, ultimate responsibility for an entity's risks, whether or not its activities are outsourced, lies with said entity and, in particular, its effective managers. The latter must report on the entity's risk situation to their supervisory body on a regular basis.

Risk management function

The head of the Group's risk management function is appointed by Crédit Mutuel Arkéa's Board of Directors on the recommendation of the Chief Executive Officer. This responsibility was entrusted to the Crédit Mutuel Arkéa group's Head of Risk Management.

Each Group entity also appoints a head of its risk management function in accordance with the same procedure: proposal by the General Management after obtaining the opinion of the Crédit Mutuel Arkéa group's Head of Risk Management, and approval by the supervisory body.

These risk management function heads are supported by a network of correspondents dedicated to monitoring each risk within each entity. For each type of risk identified within the Group, an advisor for the entire Group is appointed within the Crédit Mutuel Arkéa Risk

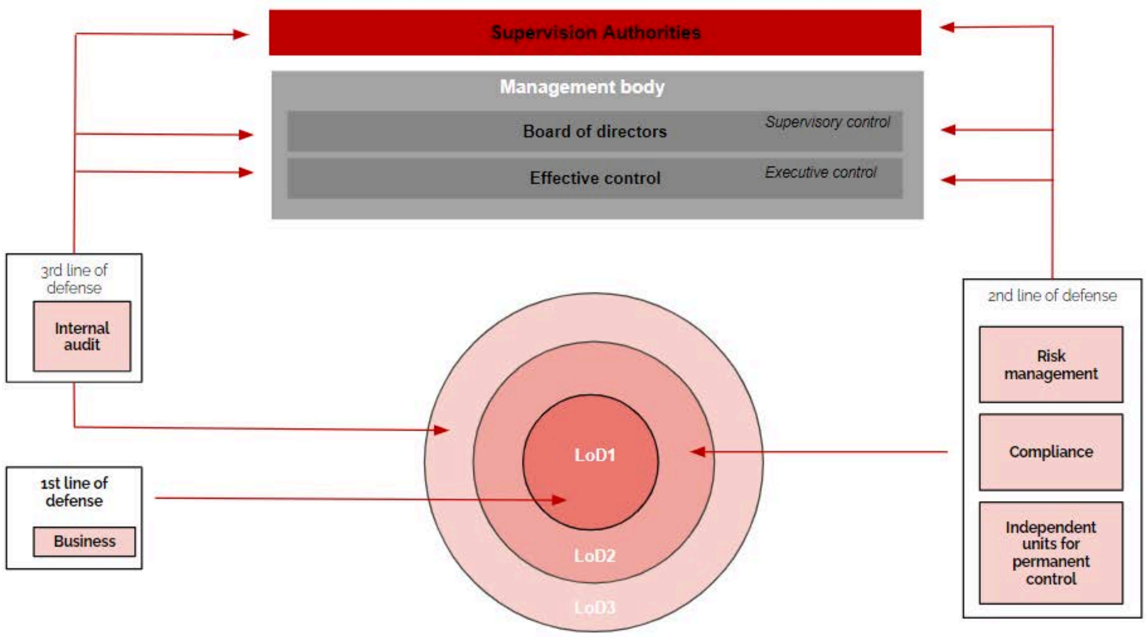
Department. This adviser has as correspondents those persons appointed in all structures exposed to the same risk. These correspondents act as advisors to the risk management function within their entity, on the risks in which they have the relevant expertise. They are in charge of managing and controlling the risks for which they are responsible, jointly with the appointed head of the risk management function.

Internal control

Internal control, which encompasses permanent control and periodic control, is a feature of the risk governance system. To that end, the Crédit Mutuel Arkéa group has, on the one hand, a permanent control function present in each entity and coordinated by the Crédit Mutuel Arkéa group's Compliance and Permanent Control Department and, on the other hand, a single Internal Audit and Periodic Control Department, operating directly in all Group entities.

Each of these functions reports to the executive bodies, which are the Compliance and Permanent Control Committee and the Periodic Control Committee, and to the supervisory body via the Risk and Internal Control Committee or directly to Crédit Mutuel Arkéa's Board of Directors.

The Crédit Mutuel Arkéa group's risk governance system benefits from a structure in which the risk management function, the compliance control function, the permanent control and the periodic control effectively complement each other, as shown in the diagram below:



LoD = Line of defense

1.3. Risk appetite

The Crédit Mutuel Arkéa group, a cooperative and mutualist group, maintains a long-term development model that is modern, profitable and generally prudent. The level of capital accumulated over the years reflects the recurring nature of the income and earnings generated. It illustrates the confidence generated, which is based on a development strategy combined with a moderate risk profile, inherent in an effective appetite framework implemented over the long term.

The priority given to reasonable profitability and risk reinforces the level of trust needed to maintain a lasting commercial relationship with customers. This especially characterizes the Crédit Mutuel Arkéa group's cooperative and mutualist model, in which members, who are joint owners, are also customers, and favor the quality of a long-term relationship with their bank over the return offered by the share capital they hold. The return on share capital is considered part of an overall assessment in the medium or long term, with no immediate urgency. The Group can thus manage or even anticipate changes in its environment, while continuing to effectively control its risks.

Risk appetite framework

Risk appetite is defined as the level of each type of risk that an organization can tolerate and is prepared to take, in both a normal and impaired economic and financial environment, as part of a development strategy over a forecast horizon of at least three years. The aim of the Crédit Mutuel Arkéa group's risk appetite framework is to effectively govern and oversee risk management by implementing a consistent system.

The risk appetite framework architecture may be represented according to the different possible risk levels, formalized in the form of scenarios:

- the **normal situation** corresponds to a normal risk situation;
- the **stressed situation** corresponds to a situation of exceptional deterioration of one or more risks;
- the **extreme situation** corresponds to a risk situation requiring the implementation of the recovery plan;
- the **critical situation** corresponds to a situation in which resolution must be implemented by the Single Resolution Board (hereinafter the "**SRB**"), the European decision-making body for resolving failing financial institutions.

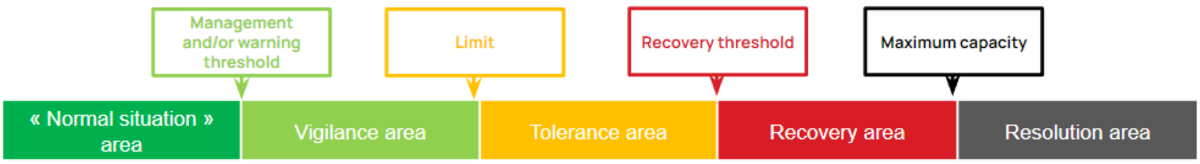
Based on this representation of possible risk situations, there are **three thresholds** that signify **four different risk areas**:

- **three thresholds corresponding to three levels of risk valuation**:
    - the **limit**, a level compliant with the Group's risk appetite policy, for the normal conduct of activity, and the maximum risk limit in a normal situation. This limit is supplemented beforehand by a warning threshold reflecting a level of vigilance above which Crédit Mutuel Arkéa's management body wishes to be more particularly informed;
    - the **recovery threshold**, the level beyond which the recovery plan should be triggered (depending on the indicators concerned);

- the **maximum absorbable risk capacity threshold**, a regulatory level that should trigger the resolution plan under the authority of the Single Resolution Mechanism;

- **four risk areas**, three of which are under the governance of Crédit Mutuel Arkéa:
  - the **risk appetite area**, which reflects the degree of prudence or appetite for the risk in question; operational limits are set, risk by risk, in the current situation;
  - the **tolerance area**, which covers any exceptional deterioration in risk, taking into account rapid risk mitigation measures. It dictates the limit, with the recovery threshold itself restricted by the dimension of the recovery zone;
  - the **recovery area**, zone for implementing the recovery options in the recovery plan, with an entry threshold or recovery threshold set according to the magnitude of the recovery options (to avoid exceeding the the maximum absorbable risk capacity and entering the resolution area);
  - the **resolution area**, the zone where the CRU implements the resolution plan since the regulatory thresholds for conducting business have been exceeded.

The figure below summarizes the general architecture of the risk appetite framework:



Governance of the risk appetite framework

The risk appetite framework is reviewed at least once a year, as part of the Group's overall management process. The medium-term business and earnings forecast necessarily includes an assessment of future risk, under both normal and unfavorable conditions. The aim of this exercise is to ensure a development trajectory with the greatest chances of success in achieving the target risk/return ratio.

The risk appetite framework is therefore a key tool for managing the Group's business management function. Its annual review is an opportunity to:

- decide on the level of risk borne by the Group;
- measure the potential capacity for absorbing additional risk;
- project this level of risk according to assumptions concerning the development of the activities associated with the risk scenarios.

This iterative exercise is compared with the annual and medium-term plan, thereby ensuring the consistency of the commercial, financial and risk policies. Prepared jointly by the Crédit Mutuel Arkéa group's Finance and Risk Departments, notably, in collaboration with the management of the Group's entities, the risk appetite framework is presented to the Risk Monitoring Committee and then to Crédit Mutuel Arkéa's Executive Committee for approval, before being submitted to the Risk and Internal Control Committee and then to Crédit Mutuel Arkéa's Board of Directors for final adoption.

Its application is then monitored, the results of which are published in the quarterly risk management report and communicated to the Group's management body.

Stress tests

The stress tests are an integral part of the risk management system implemented by the Crédit Mutuel Arkéa group. They consist of simulating severe but plausible forward-looking scenarios (economic, financial, political and regulatory) in order to measure the bank's ability to withstand such situations.

The Crédit Mutuel Arkéa group strives to develop a comprehensive stress program. Based on its overall risk mapping and the identification of its main vulnerabilities, the Group has built a graduated stress program with three severity levels:

- stress tests used in the capital adequacy and liquidity assessment processes (ICAAP and ILAAP), calibrated on the basis of severe and plausible assumptions;
- stress tests developed as part of the recovery plan. These scenarios, which are very unlikely to occur, make it possible to test the effectiveness of the recovery options;
- stress tests to assess the Group's ability to assume risks (reverse stress test). The results show the Group's distance from a situation of recovery, or even resolution, in deteriorated and extreme economic conditions.

The stress test process includes specific stress tests by risk type, such as:

- credit stress tests used to determine changes in capital and cost of risk requirements entailing sensitivity scenarios based on an identified economic position;
- interest rate stress tests to measure the sensitivity of indicators such as net banking income to scenarios involving changes in the yield curve;
- liquidity stress tests to calculate the survival horizon in a stressed environment;
- market stress tests based on historical and hypothetical market activity scenarios;
- operational stress tests to calculate a potential loss level as part of the advanced measurement approach (AMA);
- climate stress tests to materialize the impact of the climate dimension on the measurement of credit risk in terms of provisions mobilized in the short, medium and long term (2050).

The Crédit Mutuel Arkéa group also contributes to regulatory stress exercises coordinated by the supervisory authority and/or the European Banking Authority (hereinafter the “**EBA**”).

2. Scope of the regulatory framework

Pursuant to the provisions of EU Regulation No. 575/2013 for credit institutions and investment firms, as amended by EU Regulation No. 2019/876 of the European Parliament and of the Council of May 20, 2019 (hereinafter referred to as the "**CRR**"), the accounting and regulatory scopes consist of the same entities.

The consolidation method differs for entities in the insurance sector and securitisation funds, which are consolidated in accordance with the regulatory framework using the equity method, regardless of the percentage of control. A distinction is also made for companies included in the scope of consolidation that are jointly owned with a company not included in the scope of consolidation, which are proportionally consolidated for prudential purposes.

Table 1 (EU LI3): Outline of the differences in the scopes of consolidation (entity by entity)

Name of the entity	Method of accounting consolidation	Method of prudential consolidation					Description of the entity
		Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	
Arkéa Asset Management (1) (2)	Full consolidation	X					Insurance and asset management / Asset management
Arkéa Banking Services	Full consolidation	X					Banking / Banking services
Arkéa Banque Entreprises et Institutionnels	Full consolidation	X					Banking / Corporate banking
Arkéa Bourse Retail	Full consolidation	X					Banking / Holding
Arkéa Capital	Full consolidation	X					Insurance and asset management / Asset management
Arkéa Capital Investissement	Full consolidation	X					Banking / Private equity
Arkéa Capital Partenaire	Full consolidation	X					Banking / Private equity
Arkéa Crédit Bail	Full consolidation	X					Banking / Leasing and finance leasing
Arkéa Direct Bank	Full consolidation	X					Banking / Financial and stock market intermediation
Arkéa Financements et Services (2)	Full consolidation	X					Banking / Specialised networks banking
Arkéa Foncière	Full consolidation	X					Banking / Real estate
Arkéa Foncière Résidentielle	Full consolidation	X					Banking / Real estate
Arkéa Home Loans SFH	Full consolidation	X					Banking / Refinancing entity
Arkéa Immobilier Conseil	Full consolidation	X					Banking / Real estate
Arkéa Public Sector SCF	Full consolidation	X					Banking / Refinancing entity
Arkéa Real Estate	Full consolidation	X					Banking / Real estate
Arkéa REIM	Full consolidation	X					Banking / Real estate
Arkéa SCD	Full consolidation	X					Banking / Services
Bellatrix SAS	Equity method			X			Banking / Mutual banking
Caisse Centrale du Crédit Mutuel	Equity method			X			Banking / Mutual banking
Caisse de Bretagne de CMA	Full consolidation	X					Banking / Mutual banking
CFCAL Bank (succursale belge de CFCAL Banque)	Full consolidation	X					Banking / Specialised networks banking
CFCAL Banque	Full consolidation	X					Banking / Specialised networks banking
Crédit Mutuel Arkea	Full consolidation	X					Banking / Mutual banking
FCT Collectivités	Full consolidation			X			Banking / Securitisation fund
Fédéral Equipements	Full consolidation	X					Banking / Real estate
Federal Finance	Full consolidation	X					Insurance and asset management / Private banking and asset management
Fédéral Service	Full consolidation	X					Banking / Real estate
Fonds De Dotation CMA	Full consolidation	X					Banking / Real estate
GICM	Full consolidation	X					Banking / Services
Izimmo	Full consolidation	X					Banking / Real estate
Keytrade Bank (succursale d'Arkéa Direct Bank)	Full consolidation	X					Banking / Financial and stock market intermediation
La Compagnie Française Des Successions	Equity method			X			Insurance and asset management / Asset management
Monext	Full consolidation	X					Banking / Services
Nextalk	Full consolidation	X					Banking / Services
Procapital	Full consolidation	X					Banking / Financial and stock market intermediation
SCI Interfédérale	Full consolidation	X					Banking / Real estate
Suravenir	Full consolidation			X			Insurance and asset management / Life insurance
Suravenir Assurances	Full consolidation			X			Insurance and asset management / Non-life insurance
Swen Capital Partners	Equity method		X				Insurance and asset management / Asset management

(1) Fusion
(2) Change of name

Entities accounted for by the equity method are risk-weighted.

Table 2 (EU LI1): Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories

As at 12.31.2024 In € thousands	Carrying values as reported in published financial statements	Carrying values under scope of prudential consolidation	Carrying values of items				
			Subject to the credit risk framework	Subject to the CCR framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to own funds requirements or subject to deduction from own funds
Breakdown by asset clases according to the balance sheet in the published financial statements							
Cash, due from central banks	10,232,249	10,232,249	10,232,249	-	-	-	-
Financial assets at fair value through profit or loss	1,896,589	1,911,803	1,518,876	392,927	-	-	-
Derivatives used for hedging purposes	3,292,642	3,292,642	-	3,292,642	-	-	-
Financial assets at fair value through equity	11,647,947	11,648,064	11,648,064	-	-	-	-
Securities at amortized cost	1,548,458	1,548,458	1,395,955	-	152,503	-	-
Loans and receivables - credit institutions, at amortized cost	14,201,191	14,201,043	11,696,303	1,904,740	-	-	600,000
Loans and receivables - customers, at amortized cost	90,382,061	90,935,120	90,870,736	56,828	-	-	7,556
Remeasurement adjustement on interest-rate risk hedged portfolios	-1,760,974	-1,760,974	-	-	-	-	-1,760,974
Placement of insurance activities	63,416,974	-	-	-	-	-	-
Assets of insurance contracts issued	-	-	-	-	-	-	-
Reinsurance contracts assets held	163,304	-	-	-	-	-	-
Current tax assets	182,455	184,785	184,785	-	-	-	-
Deferred tax assets	176,423	96,093	93,436	-	-	-	2,657
Accruals, prepayments and sundry assets	1,058,678	2,635,465	2,552,010	-	-	-	83,454
Non-current assets held for sale	-	-	-	-	-	-	-
Investments in associates	245,574	2,991,749	2,991,749	-	-	-	-
Investment property	140,476	140,476	140,476	-	-	-	-
Property, plant and equipment	421,506	405,550	405,550	-	-	-	-
Intangible assets	721,150	715,928	185,830	-	-	-	530,098
Goodwill	462,641	462,641	-	-	-	-	462,641
Total assets	**198,429,344**	**139,641,093**	**133,916,020**	**5,647,137**	**152,503**	**-**	**-74,568**
Breakdown by liability classes according to the balance sheet in the published financial statements							
Due to central banks	-	-	-	-	-	-	-
Financial liabilities at fair value through profit or loss	2,768,756	2,334,093	-	361,726	-	-	1,972,367
Derivatives used for hedging purposes	3,065,574	3,065,574	-	3,065,574	-	-	-
Due to banks	4,309,361	3,464,682	-	1,439,869	-	-	2,024,813
Liabilities to customers	89,241,296	90,013,613	-	96,596	-	-	89,917,017
Debt securities	25,943,390	25,923,339	-	0	-	-	25,923,339
Remeasurement adjustment on interest-rate risk hedged portfolios	-890,272	-890,272	-	0	-	-	-890,272
Current tax liabilities	52,131	84,522	-	0	-	-	84,522
Deferred tax liabilities	317,176	98,318	96,360	0	-	-	1,957
Accruals, deferred income and sundry liabilities	6,088,236	2,089,104	-	-	-	-	2,089,104
Liabilities associated with non-current assets held for sale	-	-	-	-	-	-	-
Liabilities under insurance contracts issued	55,000,608	964,141	-	-	-	-	964,141
Provisions	259,251	221,558	-	-	-	-	221,558
Subordinated debt	2,342,662	2,342,662	-	-	-	-	2,342,662
Share capital and additional paid-in capital	3,045,487	3,045,487	-	-	-	-	3,045,487
Consolidated reserves	6,834,787	6,834,783	-	-	-	-	6,834,783
Gains and losses recognized directly in equity	-357,667	-357,667	-	-	-	-	-357,667
Net income for the year	395,154	395,154	-	-	-	-	395,154
Non-controlling interest	13,414	12,002	-	-	-	-	12,002
Total liabilities	**198,429,344**	**139,641,093**	**96,360**	**4,963,765**	**-**	**-**	**134,580,968**

The differences between the "Carrying values as reported in published financial statements" and "Carrying values under scope of prudential consolidation" columns result solely from differences in method between the statutory and regulatory scopes (see Table 1).

Table 3 (EU LI2): Main sources of differences between regulatory exposure amounts and carrying values in financial statements

As at 12.31.2024 In € thousands	Total	Items subject to			
		Credit risk framework	Securitisation framework	CCR framework	Market risk framework
Assets carrying value amount under the scope of prudential consolidation (as per template LI1)	**139,715,660**	**133,916,020**	**5,647,137**	**152,503**	**-**
Liabilities carrying value amount under the scope of prudential consolidation (as per template LI1)	**5,060,125**	**96,360**	**4,963,765**	**-**	**-**
Total net amount under the scope of prudential consolidation	**134,655,535**	**133,819,660**	**683,372**	**152,503**	**-**
Off-balance-sheet amounts	**31,759,293**	**31,759,293**	**-**	**-**	**-**
Differences in valuation on off-balance-sheet amounts	**-24,356,987**	**-24,356,987**	**-**	**-**	**-**
Differences in valuations	563,199	-	**563,199**	**-**	**-**
Differences due to different netting rules, other than those already included in row 2	4,498,007	-	**4,472,811**	-	25,197
Differences due to consideration of provisions	1,071,818	1,071,818	**-**	-	-
Differences due to the use of credit risk mitigation techniques (CRMs)	-	-	-	-	-
Differences due to credit conversion factors	-	-	-	-	-
Differences due to Securitisation with risk transfer	-	-	-	-	-
Other differences	-263,465	-263,465	**-**	-	-
Exposure amounts considered for regulatory purposes	**147,927,401**	**142,030,320**	**5,719,381**	**152,503**	**25,197**

Table 4 (EU PV1): Prudent valuation adjustments (PVA)

As at 12.31.2024 In € thousands Category level AVA	Risk category					Category level AVA - Valuation uncertainty		**Total category level post-diversification**		
	Equity	Interest Rates	Foreign exchange	Credit	Commodities	Unearned credit spreads AVA	Investment and funding costs AVA		Of which: **Total core approach** in the trading book	Of which: **Total core approach** in the banking book
Market price uncertainty	27,399	382	-	14,015	-	2,120	989	22,452	-	22,452
Close-out cost	738	126	5	-	-	-	-	434	-	434
Concentrated positions	51,381	-	-	-	-			51,381	-	51,381
Early termination	-	-	-	-	-			-	-	-
Model risk	31	-	-	-	-	622	-	326	-	326
Operational risk	2,740	-	-	-	-			2,740	-	2,740
Future administrative costs	-	-	-	-	-			-	-	-
Total Additional Valuation Adjustments (AVAs)								**77,334**	**-**	**77,334**

3. Capital

3.1. Composition of the capital

Regulatory capital has been determined in accordance with Part II of the CRR, and supplemented by technical standards (delegated and EU implementing regulations of the European Commission).

Capital includes:

- Tier 1 capital, comprising Common Equity Tier 1 (hereinafter "**CET1**") capital net of deductions and Additional Tier 1 (hereinafter "**AT1**") capital net of deductions;
- Tier 2 (hereinafter "**T2**") capital net of deductions.

Tier 1 Capital

Common Equity Tier 1 (CET1) capital consists of equity instruments and associated share premiums, reserves (including those relating to accumulated other comprehensive income) and retained earnings. The instruments must be perpetual and comply with the conditions defined in the CRR (Articles 26 et seq.).

Additional Tier 1 (AT1) capital consists of perpetual debt instruments with no incentive or obligation around redemption (in particular step-ups in interest rates).

Article 92(1) of the CRR sets a minimum Common Equity Tier 1 ratio of 4.5% and a minimum Tier 1 ratio of 6%.

Common Equity Tier 1 Capital is determined on the basis of the Group's reported capital, calculated on the prudential scope, after applying "prudential filters" and a certain number of regulatory adjustments (see table below providing a reconciliation of reported capital and prudential capital).

Prudential filters

Prudential filters related to unrealized gains and losses related to cash-flow hedges and Group own credit quality (spread issuer and debt valuation adjustments - DVA for derivative liabilities), value adjustments due to prudent valuation requirements (additional value adjustments - AVA) requirements shall be applied in accordance with the provisions of the CRR.

Differences relating to the use of the equity method

Differences relating to the equity accounting of associates are split between reserves and retained earnings, on the one hand, and estimated profit net of dividends, on the other, according to the capital categories in which they originate.

Other regulatory adjustments

The other adjustments to CET1 mainly involve:

- anticipating the distribution of shares calculated in accordance with current prudential standards;

- the deduction of goodwill and other intangible assets net of deferred tax (application of the prudential restatement related to software as from the closing of December 31, 2020);
- the deduction of over-coverage of defined-benefit pension fund assets;
- the deduction of irrevocable payment undertakings net of capital requirements.

In addition, direct and indirect holdings in CET1 instruments of financial sector entities are fully included in the capital threshold and are therefore not deducted from CET1.

Tier 2 capital

Tier 2 capital consists of subordinated debt instruments with a minimum maturity of 5 years, complying with the provisions of the CRR (article 63). Incentives for early redemption are prohibited. T2 instruments held in financial holdings of over 10% (known as significant investments), mainly in the insurance sector, are deducted.

Table 5 (CCA): Main features of regulatory own funds instruments and eligible liabilities instruments

Main features of CET1 capital instruments

As at 12.31.2024	A SHARES	NEW B SHARES
Issuer	**CREDIT MUTUEL ARKEA (Crédit Mutuel de Bretagne, Crédit Mutuel du Sud-Ouest)**	**CREDIT MUTUEL ARKEA (Crédit Mutuel de Bretagne, Crédit Mutuel du Sud-Ouest)**
Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	96950041VJ1QP0B69503	96950041VJ1QP0B69503
Public or private placement	Public	Public
Governing law(s) of the instrument	Law no. 47-1775 of September 10, 1947 on the constitution of cooperatives and Article L. 512-1 of the French Monetary and Financial Code	Law no. 47-1775 of September 10, 1947 on the constitution of cooperatives and Article L. 512-1 of the French Monetary and Financial Code
Contractual recognition of write down and conversion powers of resolution authorities	N/A	N/A
Regulatory treatment		
Current treatment taking into account, where applicable, transitional CRR rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
Post-transitional CRR rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Individual and (sub-) consolidated	Individual and (sub-) consolidated
Instrument type (types to be specified by each jurisdiction)	Shares - list published by the EBA (Article 26, paragraph 3 of the CRR)	Shares - list published by the EBA (Article 26, paragraph 3 of the CRR)
Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	28,318 K€	2,978,477 K€
Nominal amount of instrument	1 €	1 €
Issue price	1 €	1 €
Redemption price	1 €	1 €
Accounting classification	Shareholders' equity	Shareholders' equity
Original date of issuance	Variable	Variable
Perpetual or dated	Perpetual	Perpetual
Original maturity date	N/A	N/A
Issuer call subject to prior supervisory approval	N/A	N/A
Optional call date, contingent call dates and redemption amount	N/A	N/A
Subsequent call dates, if applicable	N/A	N/A
Coupons / dividends		
Fixed or floating dividend/coupon	N/A	N/A
Coupon rate and any related index	N/A	N/A
Existence of a dividend stopper	No	No
Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary	Fully discretionary
Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary	Fully discretionary
Existence of step up or other incentive to redeem	No	No
Noncumulative or cumulative	No	No
Convertible or non-convertible	Non-convertible	Non-convertible
If convertible, conversion trigger(s)	N/A	N/A
If convertible, fully or partially	N/A	N/A
If convertible, conversion rate	N/A	N/A
If convertible, mandatory or optional conversion	N/A	N/A
If convertible, specify instrument type convertible into	N/A	N/A
If convertible, specify issuer of instrument it converts into	N/A	N/A
Write-down features	Yes	Yes
If write-down, write-down trigger(s)	By decision of the general shareholders' meeting or, in case of resolution, by decision of the Resolution College of the French Prudential Control and Resolution Authority (*Autorité de contrôle prudentiel et de résolution - ACPR*) pursuant to its powers under Article L. 613-31-16 of the French Monetary and Financial Code	By decision of the general shareholders' meeting or, in case of resolution, by decision of the Resolution College of the French Prudential Control and Resolution Authority (*Autorité de contrôle prudentiel et de résolution - ACPR*) pursuant to its powers under Article L. 613-31-16 of the French Monetary and Financial Code
If write-down, full or partial	Full or partial write-down	Full or partial write-down
If write-down, permanent or temporary	Permanent	Permanent
If temporary write-down, description of write-up mechanism	N/A	N/A
Type of subordination (only for eligible liabilities)	Contractual	Contractual
Ranking of the instrument in normal insolvency proceedings	Junior to all other debt Common Equity Tier 1 is junior to all deeply subordinated and subordinated debt	Junior to all other debt Common Equity Tier 1 is junior to all deeply subordinated and subordinated debt
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Junior to all other debt Common Equity Tier 1 is junior to all deeply subordinated and subordinated debt	Junior to all other debt Common Equity Tier 1 is junior to all deeply subordinated and subordinated debt
Non-compliant transitioned features	No	No
If yes, specify non-compliant features	N/A	N/A
Link to the full term and conditions of the instrument (signposting)	https://www.cm-arkea.com/arkea/banque/assurances/c_8764/fr/parts-sociales	https://www.cm-arkea.com/arkea/banque/assurances/c_8764/fr/parts-sociales

(1) Insert 'N/A' if the question is not applicable

Main features of T2 capital instruments

As at 12.31.2024	Subordinated term notes	Subordinated term notes	Subordinated term notes
Issuer	**CREDIT MUTUEL ARKEA**	**CREDIT MUTUEL ARKEA**	**CREDIT MUTUEL ARKEA**
Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	FR0013173028	FR0013236544	FR0013398369
Public or private placement	Public	Public	Private
Governing law(s) of the instrument	French law	French law	French law
Contractual recognition of write down and conversion powers of resolution authorities	N/A	N/A	N/A
Regulatory treatment			
Current treatment taking into account, where applicable, transitional CRR rules	Tier 2 capital	Tier 2 capital	Tier 2 capital
Post-transitional CRR rules	Tier 2 capital	Tier 2 capital	Tier 2 capital
Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Individual and (sub-) consolidated	Individual and (sub-) consolidated	Individual and (sub-) consolidated
Instrument type (types to be specified by each jurisdiction)	EMTN Program	EMTN Program	EMTN Program
Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	T2: 141,566 K€ EE : 358,434 K€	T2: 411,008 K€ EE : 88,992 K€	25,000 K€
Nominal amount of instrument	100,000 €	100,000 €	100,000 €
Issue price	99,966 €	99,605 €	100,000 €
Redemption price	N/A	N/A	N/A
Accounting classification	Subordinated debt	Subordinated debt	Subordinated debt
Original date of issuance	06/01/2016	02/09/2017	01/28/2019
Perpetual or dated	Dated	Dated	Dated
Original maturity date	06/01/2026	02/09/2029	01/28/2031
Issuer call subject to prior supervisory approval	N/A	N/A	N/A
Optional call date, contingent call dates and redemption amount	N/A	N/A	N/A
Subsequent call dates, if applicable	N/A	N/A	N/A
Coupons / dividends			
Fixed or floating dividend/coupon	Fixed	Fixed	Fixed
Coupon rate and any related index	3.25% p.a.	3.50% p.a.	3.81% p.a.
Existence of a dividend stopper	No	No	No
Fully discretionary, partially discretionary or mandatory (in terms of timing)	N/A	N/A	N/A
Fully discretionary, partially discretionary or mandatory (in terms of amount)	N/A	N/A	N/A
Existence of step up or other incentive to redeem	No	No	No
Noncumulative or cumulative	N/A	N/A	N/A
Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
If convertible, conversion trigger(s)	N/A	N/A	N/A
If convertible, fully or partially	N/A	N/A	N/A
If convertible, conversion rate	N/A	N/A	N/A
If convertible, mandatory or optional conversion	N/A	N/A	N/A
If convertible, specify instrument type convertible into	N/A	N/A	N/A
If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
Write-down features	No	No	No
If write-down, write-down trigger(s)	N/A	N/A	N/A
If write-down, full or partial	N/A	N/A	N/A
If write-down, permanent or temporary	N/A	N/A	N/A
If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
Type of subordination (only for eligible liabilities)	Contractual	Contractual	Contractual
Ranking of the instrument in normal insolvency proceedings	Subordinated term notes - senior non-preferred securities are senior	Subordinated term notes - senior non-preferred securities are senior	Subordinated term notes - senior non-preferred securities are senior
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated term notes - senior non-preferred securities are senior	Subordinated term notes - senior non-preferred securities are senior	Subordinated term notes - senior non-preferred securities are senior
Non-compliant transitioned features	No	No	No
If yes, specify non-compliant features	N/A	N/A	N/A
Link to the full term and conditions of the instrument (signposting)	https://www.cm-arkea.com/banque/assurance/credit/mutuel/ecb_5038/fr/programme-emtn	https://www.cm-arkea.com/banque/assurance/credit/mutuel/ecb_5038/fr/programme-emtn	

As at 12.31.2024	Subordinated term notes	Subordinated term notes	Subordinated term notes
Issuer	**CREDIT MUTUEL ARKEA**	**CREDIT MUTUEL ARKEA**	**CREDIT MUTUEL ARKEA**
Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	FR0013407418	FR0013407087	FR001400PZV0
Public or private placement	Public	Private	Public
Governing law(s) of the instrument	French law	French law	French law
Contractual recognition of write down and conversion powers of resolution authorities	N/A	N/A	N/A
Regulatory treatment			
Current treatment taking into account, where applicable, transitional CRR rules	Tier 2 capital	Tier 2 capital	Tier 2 capital
Post-transitional CRR rules	Tier 2 capital	Tier 2 capital	Tier 2 capital
Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Individual and (sub-) consolidated	Individual and (sub-) consolidated	Individual and (sub-) consolidated
Instrument type (types to be specified by each jurisdiction)	EMTN Program	EMTN Program	EMTN Program
Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	746,835 K€	29,735 K€	499,916 K€
Nominal amount of instrument	100,000 €	100,000 €	100,000 €
Issue price	99,621 €	100,000 €	100,000 €
Redemption price	N/A	N/A	N/A
Accounting classification	Subordinated debt	Subordinated debt	Subordinated debt
Original date of issuance	03/11/2019	03/14/2019	05/15/2024
Perpetual or dated	Dated	Dated	Dated
Original maturity date	03/11/2031	03/14/2031	05/15/2035
Issuer call subject to prior supervisory approval	N/A	N/A	Yes
Optional call date, contingent call dates and redemption amount	N/A	N/A	15/05/2030
Subsequent call dates, if applicable	N/A	N/A	N/A
Coupons / dividends			
Fixed or floating dividend/coupon	Fixed	Fixed	Fixed
Coupon rate and any related index	3.375% p.a.	3.40% half yearly until 03/14/2021, then 6-month Euribor +2.15% until maturity of the security	4.810% p.a
Existence of a dividend stopper	No	No	No
Fully discretionary, partially discretionary or mandatory (in terms of timing)	N/A	N/A	N/A
Fully discretionary, partially discretionary or mandatory (in terms of amount)	N/A	N/A	N/A
Existence of step up or other incentive to redeem	No	No	No
Noncumulative or cumulative	N/A	N/A	N/A
Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
If convertible, conversion trigger(s)	N/A	N/A	N/A
If convertible, fully or partially	N/A	N/A	N/A
If convertible, conversion rate	N/A	N/A	N/A
If convertible, mandatory or optional conversion	N/A	N/A	N/A
If convertible, specify instrument type convertible into	N/A	N/A	N/A
If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
Write-down features	No	No	No
If write-down, write-down trigger(s)	N/A	N/A	N/A
If write-down, full or partial	N/A	N/A	N/A
If write-down, permanent or temporary	N/A	N/A	N/A
If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
Type of subordination (only for eligible liabilities)	Contractual	Contractual	Contractual
Ranking of the instrument in normal insolvency proceedings	Subordinated term notes - senior non-preferred securities are senior	Subordinated term notes - senior non-preferred securities are senior	Subordinated term notes - senior non-preferred securities are senior
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated term notes - senior non-preferred securities are senior	Subordinated term notes - senior non-preferred securities are senior	Subordinated term notes - senior non-preferred securities are senior
Non-compliant transitioned features	No	No	No
If yes, specify non-compliant features	N/A	N/A	N/A
Link to the full term and conditions of the instrument (signposting)	https://www.cm-arkea.com/banque/assurance/credit/mutuel/ecb_5038/fr/programme-emtn		https://www.cm-arkea.com/banque/assurance/credit/mutuel/ecb_5038/fr/programme-emtn

Table 6 (EU CC1): Composition of regulatory own funds

In € thousands	Amounts as at 12.31.2024	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Common Equity Tier 1 (CET1) capital: instruments and reserves		
Capital instruments and the related share premium accounts	3,012,234	(h)
of which: Shares	3,006,795	
of which: Additional paid-in capital	5,439	
Retained earnings	6,827,936	(i) (j)
Accumulated other comprehensive income (and other reserves)	-350,829	(j)
Funds for general banking risk	-	
Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1	-	
Minority interests (amount allowed in consolidated CET1)	-	
Independently reviewed interim profits net of any foreseeable charge or dividend	303,411	(l)
Common Equity Tier 1 (CET1) capital before regulatory adjustments	**9,792,752**	
Common Equity Tier 1 (CET1) capital: regulatory adjustments		
Additional value adjustments (negative amount)	-77,334	
Intangible assets (net of related tax liability) (negative amount)	-957,782	(d) (e) moins (f)
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	-700	(b)
Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	-2	(j)
Negative amounts resulting from the calculation of expected loss amounts	-	
Any increase in equity that results from securitised assets (negative amount)	-	
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	3,865	(j)
Defined-benefit pension fund assets (negative amount)	-83,454	(c)
Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	-	
Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-	
of which: qualifying holdings outside the financial sector (negative amount)	-	
of which: securitisation positions (negative amount)	-	
of which: free deliveries (negative amount)	-	
Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	-	
Amount exceeding the 17,65% threshold (negative amount)	-	
of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	-	
of which: deferred tax assets arising from temporary differences	-	
Losses for the current financial year (negative amount)	-	
Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-	
Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	
Other regulatory adjustments	-125,852	(a)
Total regulatory adjustments to Common Equity Tier 1 (CET1)	**-1,241,259**	
Common Equity Tier 1 (CET1) capital	**8,551,493**	

In € thousands	Amounts as at 12.31.2024	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Additional Tier 1 (AT1) capital: instruments		
Capital instruments and the related share premium accounts	-	
of which: classified as equity under applicable accounting standards	-	
of which: classified as liabilities under applicable accounting standards	-	
Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1	-	
Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1	-	
Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1	-	
Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	-	
of which: instruments issued by subsidiaries subject to phase out	-	
Additional Tier 1 (AT1) capital before regulatory adjustments	**-**	
Additional Tier 1 (AT1) capital: regulatory adjustments		
Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	-	
Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	
Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-	
Other regulatory adjustments to AT1 capital	-	
Total regulatory adjustments to Additional Tier 1 (AT1) capital		
Additional Tier 1 (AT1) capital	**0**	
Tier 1 capital (T1 = CET1 + AT1)	**8,551,493**	
Tier 2 (T2) capital: instruments		
Capital instruments and the related share premium accounts	1,854,061	(g)
Amount of qualifying items referred to in Article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR	-	
Amount of qualifying items referred to in Article 494a(2) CRR subject to phase out from T2	-	
Amount of qualifying items referred to in Article 494b(2) CRR subject to phase out from T2	-	
Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	-	
of which: instruments issued by subsidiaries subject to phase out	-	
Credit risk adjustments	136,488	
Tier 2 (T2) capital before regulatory adjustments	**1,990,549**	
Tier 2 (T2) capital: regulatory adjustments		
Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	
Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-600,000	(a)
Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	

In € thousands	Amounts as at 12.31.2024	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Other regulatory adjustments to T2 capital	-	
Total regulatory adjustments to Tier 2 (T2) capital	**-600,000**	
Tier 2 (T2) capital	**1,390,549**	
Total capital (TC = T1 + T2)	**9,942,042**	
Total Risk exposure amount	**50,871,122**	
Capital ratios and requirements including buffers		
Common Equity Tier 1 capital	16.8%	
Tier 1 capital	16.8%	
Total capital	19.5%	
Institution CET1 overall capital requirements	9.40%	
of which: capital conservation buffer requirement	2.50%	
of which: countercyclical capital buffer requirement	0.99%	
of which: systemic risk buffer requirement	0.00%	
of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	-	
of which: additional own funds requirements to address the risks other than the risk of excessive leverage	1.41%	
Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	**8.94%**	
Amounts below the thresholds for deduction (before risk weighting)		
Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	231,700	
Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	300,100	
Deferred tax assets arising from temporary differences (amount below 17,65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	23,034	
Applicable caps on the inclusion of provisions in Tier 2		
Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	-	
Cap on inclusion of credit risk adjustments in T2 under standardised approach	86,828	
Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	195,831	
Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	136,488	
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)		
Current cap on CET1 instruments subject to phase out arrangements	-	
Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	
Current cap on AT1 instruments subject to phase out arrangements	-	
Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	
Current cap on T2 instruments subject to phase out arrangements	-	
Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	

Table 7 (EU CC2): Reconciliation of regulatory own funds to balance sheet in the audited financial statements

In € thousands	Balance sheet as in published financial statements 12.31.2024	Under regulatory scope of consolidation 12.31.2024	Reference
Assets - Breakdown by asset clases according to the balance sheet in the published financial statements			
Cash, due from central banks	10,232,249	10,232,249	
Financial assets at fair value through profit or loss	1,896,589	1,911,803	
Derivatives used for hedging purposes	3,292,642	3,292,642	
Financial assets at fair value through equity	11,647,947	11,648,064	
Securities at amortized cost	1,548,458	1,548,458	
Loans and receivables - credit institutions, at amortized cost	14,201,191	14,201,043	
Loans and receivables - customers, at amortized cost	90,382,061	90,935,120	(a)
Remeasurement adjustement on interest-rate risk hedged portfolios	-1,760,974	-1,760,974	
Placement of insurance activities	63,416,974	-	
Assets of insurance contracts issued	-	-	
Reinsurance contract assets held	163,304	-	
Current tax assets	182,455	184,785	
Deferred tax assets	176,423	96,093	(b)
Accruals, prepayments and sundry assets	1,058,676	2,635,464	(c)
Non-current assets held for sale	-	-	
Investments in associates	245,574	2,991,749	
Investment property	140,476	140,476	
Property, plant and equipment	421,506	405,550	
Intangible assets	721,150	715,928	(d)
Goodwill	462,641	462,641	(e)
Total assets	**198,429,342**	**139,641,092**	
Liabilities - Breakdown by liability clases according to the balance sheet in the published financial statements			
Due to central banks	-	-	
Financial liabilities at fair value through profit or loss	2,768,756	2,334,093	
Derivatives used for hedging purposes	3,065,574	3,065,574	
Debt securities	25,943,390	25,923,339	
Due to banks	4,309,361	3,464,682	
Liabilities to customers	89,241,296	90,013,613	
Remeasurement adjustment on interest-rate risk hedged portfolios	-890,272	-890,273	
Current tax liabilities	52,131	84,522	
Deferred tax liabilities	317,176	98,318	(f)
Accruals, deferred income and sundry liabilities	6,088,234	2,089,104	
Liabilities associated with non-current assets held for sale	-	-	
Liabilities of insurance contracts issued	55,000,608	964,141	
Reinsurance contract liabilities held	-	-	
Provisions	259,251	221,558	
Subordinated debt	2,342,662	2,342,662	(g)
Total liabilities	**188,498,167**	**129,711,332**	
Shareholders' Equity			
Shareholders' equity, group share	9,917,761	9,917,757	
Share capital and additional paid-in capital	3,045,487	3,045,487	(h)
Consolidated reserves	6,834,787	6,834,783	(i)
Gains and losses recognized directly in equity	-357,667	-357,667	(j)
Net income for the year	395,154	395,154	(l)
Non-controlling interest	13,414	12,002	(k)
Total shareholders' equity	**9,931,175**	**9,929,760**	

3.2. Capital requirements

The capital requirements shown below and in the following sections are the minimum requirements, corresponding to a level of 8% of risk-weighted assets.

Table 8 (EU OV1): Overview of risk weighted exposure amounts

	Total risk exposure amounts		Total own funds requirements
In € thousands	12.31.2024	09.30.2024	12.31.2024
Credit risk (excluding CCR)	46,997,681	47,140,957	3,759,814
Of which the standardised approach	8,157,389	7,978,132	652,591
Of which the Foundation IRB (F-IRB) approach	9,806,456	10,138,202	784,516
Of which slotting approach	726,606	704,987	58,129
Of which equities under the simple riskweighted approach	12,911,577	12,726,966	1,032,926
Of which the Advanced IRB (A-IRB) approach	13,645,421	13,315,545	1,091,634
Counterparty credit risk - CCR	519,889	588,015	41,591
Of which the standardised approach	236,553	236,952	18,924
Of which internal model method (IMM)	0	0	0
Of which exposures to a CCP	6,282	5,554	503
Of which credit valuation adjustment - CVA	65,612	59,616	5,249
Of which other CCR	211,442	285,893	16,915
Settlement risk	152	52	12
Securitisation exposures in the non-trading book (after the cap)	22,875	21,765	1,830
Of which SEC-IRBA approach	0	0	0
Of which SEC-ERBA (including IAA)	22,875	11,685	1,830
Of which SEC-SA approach	0	0	0
Of which 1250% / deduction	0	0	0
Position, foreign exchange and commodities risks (Market risk)	0	0	0
Of which the standardised approach	0	0	0
Of which IMA	0	0	0
Large exposures	0	0	0
Operational risk	3,272,940	3,293,363	261,835
Of which basic indicator approach	424,513	424,513	33,961
Of which standardised approach	172,204	172,204	13,776
Of which advanced measurement approach	2,676,222	2,696,646	214,098
Amounts below the thresholds for deduction (subject to 250% risk weight)	57,585	0	4,607
Total	**50,871,122**	**51,044,152**	**4,069,690**

4. Prudential indicators

4.1. Key metrics

Table 9 (EU KM1): Key metrics

In € thousands	12.31.2024[(1)]	09.30.2024[(3)]	06.30.2024[(1)]	03.31.2024[(2)]	12.31.2023[(1)]
Available own funds (amounts)					
Common Equity Tier 1 (CET1) capital	8,551,493	8,461,220	8,635,922	8,498,202	8,400,021
Tier 1 capital	8,551,493	8,461,220	8,635,922	8,498,202	8,400,021
Total capital	9,942,042	10,401,151	10,623,011	10,028,605	9,966,336
Risk-weighted exposure amounts					
Total risk exposure amount	50,871,122	51,044,152	51,554,946	50,707,129	49,736,248
Capital ratios (as a percentage of risk-weighted exposure amount)					
Common Equity Tier 1 ratio (%)	16.8%	16.6%	16.8%	16.8%	16.9%
Tier 1 ratio (%)	16.8%	16.6%	16.8%	16.8%	16.9%
Total capital ratio (%)	19.5%	20.4%	20.6%	19.8%	20.0%
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2.50%	2.50%	2.50%	2.50%	2.75%
of which: to be made up of CET1 capital (percentage points)	1.41%	1.41%	1.41%	1.41%	1.55%
of which: to be made up of Tier 1 capital (percentage points)	1.88%	1.88%	1.88%	1.88%	2.06%
Total SREP own funds requirements (%)	10.50%	10.50%	10.50%	10.50%	10.75%
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)					
Capital conservation buffer (%)	2.5%	2.5%	2.5%	2.5%	2.5%
Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)				-	-
Institution specific countercyclical capital buffer (%)	0.9949%	0.9915%	0.9910%	0.9826%	0.5010%
Systemic risk buffer (%)				-	-
Global Systemically Important Institution buffer (%)				-	-
Other Systemically Important Institution buffer (%)				-	-
Combined buffer requirement (%)	3.5%	3.5%	3.5%	3.5%	3.0%
Overall capital requirements (%)	13.99%	13.99%	13.99%	13.98%	13.75%
CET1 available after meeting the total SREP own funds requirements (%) [(4)]	8.9%	8.7%	8.9%	8.9%	8.8%
Leverage ratio					
Total exposure measure	133,522,835	129,393,226	127,869,779	128,020,276	129,657,643
Leverage ratio (%)	6.4%	6.5%	6.8%	6.6%	6.5%
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
Additional own funds requirements to address the risk of excessive leverage (%)	0%	0%	0%	0%	0%
of which: to be made up of CET1 capital (percentage points)	0%	0%	0%	0%	0%
Total SREP leverage ratio requirements (%)	3.00%	3.00%	3.00%	3.00%	3.00%
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
Leverage ratio buffer requirement (%)	0%	0%	0%	0%	0%
Overall leverage ratio requirement (%)	3.00%	3.00%	3.00%	3.00%	3.00%
Liquidity Coverage Ratio					
Total high-quality liquid assets (HQLA) (Weighted value -average)	19,514,465	19,478,765	19,766,644	20,228,937	21,267,316
Cash outflows - Total weighted value	16,077,597	16,006,694	16,012,764	16,244,426	16,410,245
Cash inflows - Total weighted value	2,468,579	2,306,398	2,282,002	2,311,365	2,224,863
Total net cash outflows (adjusted value)	13,609,017	13,700,296	13,730,762	13,933,061	14,185,383
Liquidity coverage ratio (%)	143%	142%	144%	145%	150%
Net Stable Funding Ratio					
Total available stable funding	95,224,144	94,789,863	93,496,583	91,231,691	90,619,229
Total required stable funding	82,011,868	83,817,513	81,538,167	81,266,250	80,954,977
NSFR ratio (%)	116%	113%	115%	112%	112%

(1) Integrating the interim result or annual result net of dividends
(2) Not integrating the interim result
(3) Integrating the interim result at 06.30
(4) Taking into account possible AT1 deficits

The Crédit Mutuel Arkéa group has to comply with additional capital requirements, as follows:

- a conservation buffer which is mandatory for all establishments;
- a countercyclical capital buffer corresponding to the weighted average of the countercyclical buffer rates that apply in the countries that correspond to the Group's main credit exposures. The countercyclical buffer, which is designed to protect banks from excessive growth in credit (in particular a deviation from the ratio of credit to gross domestic product), is imposed at the discretion of the designated authority of each jurisdiction, applicable to all exposures that establishments have in this jurisdiction. In France, the countercyclical buffer is set by the French financial stability authority (Haut Conseil de Stabilité Financière), hereinafter referred to as the "**HCSF**". Since April 2024, the countercyclical buffer rate has been set at 1% of risk-weighted assets on French exposures. The mandatory recognition of countercyclical capital buffer rates implemented in other states was capped at 2.5%. Beyond this cap, rates require the explicit recognition of the HCSF.

Table 10 (EU CCyB1): Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

	General credit exposures		General credit exposures - Market risk			
As at 12.31.2024 In € thousands	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Securitisation exposures Exposure value for non-trading book	Total exposure value
Breakdown by country:						
Germany	703	218,577	-	-	43,167	262,447
Netherland	184	370,757	-	-	9,474	380,415
Denmark	1	43,697	-	-	-	43,697
United Kingdom	212	61,612	-	-	-	61,824
Ireland	3	2,931	-	-	-	2,934
Luxembourg	7,647	222,080	-	-	17,550	247,277
Norway	0	367,498	-	-	-	367,498
France	11,971,555	84,032,323	-	-	82,312	96,086,191
Sweden	0	214,244	-	-	-	214,244
Romania	93	216	-	-	-	309
Bulgaria	123	4	-	-	-	127
Czech Republic	0	506	-	-	-	506
Estonia	0	810	-	-	-	810
Hong Kong	0	1,384	-	-	-	1,384
Iceland	0	2	-	-	-	2
Slovakia	0	2	-	-	-	2
Korea	0	73	-	-	-	73
Slovenia	2	75	-	-	-	77
Croatia	0	11	-	-	-	11
Cyprus	0	2	-	-	-	2
Latvia	0	8	-	-	-	8
Lithuania	0	0	-	-	-	0
Chile	0	680	-	-	-	680
Belgium	1,502,995	146,413	-	-	-	1,649,407
Hungary	533	263	-	-	-	796
Australia	0	2,062	-	-	-	2,062
Other countries	70,077	1,169,751	-	-	-	1,239,828
Total	**13,554,127**	**86,855,981**	**-**	**-**	**152,503**	**100,562,612**

As at 12.31.2024 In € thousands	Own fund requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
	Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
Breakdown by country:							
Germany	1,862	-	518	2,380	29,747	0.06%	0.75%
Netherland	6,098	-	114	6,212	77,646	0.17%	2.00%
Denmark	315	-	-	315	3,937	0.01%	2.50%
United Kingdom	1,138	-	-	1,138	14,229	0.03%	2.00%
Ireland	18	-	-	18	221	0.00%	1.50%
Luxembourg	14,922	-	211	15,133	189,159	0.41%	0.50%
Norway	1,595	-	-	1,595	19,940	0.04%	2.50%
France	3,584,803	-	988	3,585,791	44,822,389	97.39%	1.00%
Sweden	931	-	-	931	11,640	0.03%	2.00%
Romania	5	-	-	5	65	0.00%	1.00%
Bulgaria	3	-	-	3	43	0.00%	2.00%
Czech Republic	2	-	-	2	21	0.00%	1.25%
Estonia	28	-	-	28	355	0.00%	1.50%
Hong Kong	5	-	-	5	67	0.00%	0.50%
Iceland	0	-	-	0	1	0.00%	2.50%
Slovakia	0	-	-	0	0	0.00%	1.50%
Korea	0	-	-	0	4	0.00%	1.00%
Slovenia	0	-	-	0	4	0.00%	0.50%
Croatia	0	-	-	0	1	0.00%	1.50%
Cyprus	0	-	-	0	0	0.00%	1.00%
Latvia	0	-	-	0	1	0.00%	0.50%
Lithuania	0	-	-	0	0	0.00%	1.00%
Chile	12	-	-	12	151	0.00%	0.50%
Belgium	46,680	-	-	46,680	583,505	1.27%	1.00%
Hungary	18	-	-	18	223	0.00%	0.50%
Australia	13	-	-	13	162	0.00%	1.00%
Other countries	21,715	-	-	21,715	271,434	0.59%	0.00%
Total	**3,680,165**	**-**	**1,830**	**3,681,995**	**46,024,944**		

Table 11 (EU CCyB2): Amount of institution-specific countercyclical capital buffer

In € thousands	12.31.2024
Total risk exposure amount	50,871,122
Institution specific countercyclical capital buffer rate (in %)	0.9949%
Institution specific countercyclical capital buffer requirement	506,125

4.2. Supplementary supervision of financial conglomerates

The Crédit Mutuel Arkéa group is one of the financial conglomerates supervised by the General Secretariat of the French Prudential Control and Resolution Authority (Secrétariat Général de l'Autorité de Contrôle Prudentiel et de Résolution). It operates as a financial conglomerate via Suravenir and Suravenir Assurances. These subsidiaries market a wide range of life insurance, personal insurance and property and liability insurance products.

As an exception to Articles 36 and 43 of the CRR and in accordance with the provisions of Article 49 of that regulation, the supervisor has authorized the Crédit Mutuel Arkéa group not to deduct holdings in the capital instruments of insurance sector entities from its Common Equity Tier 1 Capital and to adopt the so-called "weighted equity-accounted value" method, which consists in weighting instruments held in the Group's insurance subsidiaries on the denominator of the solvency ratio.

Consequently, and pursuant to the administrative order of November 3, 2014, the Crédit Mutuel Arkéa group is subject, in addition, to an additional requirement in terms of intra-equity capital adequacy according to the methods known as "accounting consolidation", to the IFR standards

Accordingly, in this context, insurance sector entities that are fully consolidated for accounting purposes are also fully consolidated for prudential purposes (using the equity method), in order to calculate the additional requirement.

The risk supervision measures relating to the conglomerate have been approved by Crédit Mutuel Arkéa's Board of Directors, the Risk Monitoring Committee and the ALM and Capital Management Committee.

This supervision is applied in three parts, to the conglomerate's scope:

- the calculation of the supplementary capital adequacy requirement. As the ratio applicable to the conglomerate is one of the key solvency indicators, it is therefore the focus of particular attention:
    - a warning thresholds and an internal limit have been set;
    - a specific procedure has been established for any breaches of the limit set by the Board of Directors, which involves the General Management and Crédit Mutuel Arkéa's Board of Directors;
- the control of the concentration of risks by beneficiary;
- the control of intra-group transactions together with a breakdown of those transactions in excess of a threshold.

The first part relating to the calculation of the supplementary capital adequacy requirement makes it possible to verify every six months the coverage of solvency requirements relating to the banking sector and the insurance sector (Solvency II regulation) by the conglomerate's reported consolidated capital, including regulatory adjustments and transitional provisions set out in the CRR.

The minimum financial conglomerate ratio requirement is 100% and is calculated as follows:

$$\text{Financial conglomerate ratio} = \frac{\text{The conglomerate's total capital}}{\text{Banking requirements + Insurance requirements}}$$

As of December 31, 2024, the Crédit Mutuel Arkéa group had a coverage ratio of its conglomerate's capital requirements of 158%, after the integration of profit net of estimated dividends.

The second part, relating to control of the concentration of risks by beneficiary on a consolidated basis, makes it possible to report gross risks (aggregate exposure to a single beneficiary) in excess of 10% of the conglomerate's consolidated shareholders' equity or €300 million. A distinction is drawn between the banking and insurance sectors for each beneficiary.

The last part, relating to control of intra-group transactions, concerns a summary and a breakdown by type of transaction between the conglomerate's banking and insurance sectors for refinancing, off-balance sheet commitments and traded products.

Table 12 (INS1) : Insurance participations

As at 12.31.2024 In € thousands	Exposure value	Risk exposure amount
Own fund instruments held in insurance or re-insurance undertakings or insurance holding company not deducted from own funds	2,762,756	10,222,196

Table 13 (INS2) : Financial conglomerates information on own funds and capital adequacy ratio

In € thousands	12.31.2024
Supplementary own fund requirements of the financial conglomerate (amount)	7,406,469
Capital adequacy ratio of the financial conglomerate (%)	158%

4.3. Leverage ratio

The procedures for monitoring the risk of excessive leverage have been approved by Crédit Mutuel Arkéa's Board of Directors and the ALM and Capital Management Committee. They are designed around the following:

- the leverage ratio, which is one of the key solvency indicators and is therefore the focus of particular attention;
- the setting of an internal limit, which is also governed by warning and recovery thresholds;
- a specific procedure has been established for any breaches of the limit set by the Board of Directors, which involves the General Management and Crédit Mutuel Arkéa's Board of Directors.

The Basel III texts defined a ratio aimed at capping the leverage effect. The leverage ratio is intended both to calibrate the amount of Tier 1 capital (numerator of the ratio) and to control the Group's leverage exposure (denominator of the ratio) in order to achieve the ratio level targets set by the Group.

The leverage ratio is subject to a public disclosure requirement by banks and has been subject to a minimum requirement. The requirement is set at 3% since the closing of June 30, 2022.

The leverage ratio is slightly lower than in 2023 (-0.1 pt) and stands at 6.4% at end-2024. This development is mainly explained by the increase in leverage exposure.

In numerator terms, Tier 1 capital increased by 2% (+0.15 billion euro) to 8.6 billion euro. This increase is mainly due to the inclusion of the net profit for the year of the remuneration of the shares and the net inflow of the new B shares made over the year, attenuated by the fall in the valuations of shares. As a denominator, the amount of exposures increased by €3.9 billion (+3%) to reach €133.5 billion at 31.12.2024.

Table 14 (EU LR1 - LRSum) : Résumé du rapprochement entre actifs comptables et expositions aux fins du ratio de levier(EU LR1 - LRSum): Summary reconciliation of accounting assets and leverage ratio exposures

As at 12.31.2024 In € thousands	Applicable amount
Total assets as per published financial statements	198,429,342
Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	-58,788,250
(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
(Adjustment for temporary exemption of exposures to central banks (if applicable))	-
(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	-
Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
Adjustment for eligible cash pooling transactions	-
Adjustment for derivative financial instruments	-2,828,357
Adjustment for securities financing transactions (SFTs)	3,676,796
Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	5,953,615
(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-
(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-1,473,393
(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-10,366,689
Other adjustments	-1,080,228
Total exposure measure	**133,522,835**

Table 15 (EU LR2 - LRCom): Leverage ratio common disclosure

In € thousands	CRR leverage ratio exposures	
	12.31.2024	06.30.2024
On-balance sheet exposures (excluding derivatives and SFTs)		
On-balance sheet items (excluding derivatives, SFTs, but including collateral)	133,709,607	128,218,227
Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-	-
(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
(General credit risk adjustments to on-balance sheet items)	-	-
(Asset amounts deducted in determining Tier 1 capital)	-	-
Total on-balance sheet exposures (excluding derivatives and SFTs)	**133,709,607**	**128,218,227**
Derivative exposures		
Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	294,013	238,193
Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-
Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	563,199	534,866
Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-	-
Exposure determined under Original Exposure Method	-	-
(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)	-	-
Adjusted effective notional amount of written credit derivatives	-	-
(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
Total derivatives exposures	**857,212**	**773,058**
Securities financing transaction (SFT) exposures		
Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	4,842,484	4,461,775
(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
Counterparty credit risk exposure for SFT assets	-	-
Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	-	-
Agent transaction exposures	-	-
(Exempted CCP leg of client-cleared SFT exposure)	-	-
Total securities financing transaction exposures	**4,842,484**	**4,461,775**
Other off-balance sheet exposures		
Off-balance sheet exposures at gross notional amount	16,478,046	15,753,212
(Adjustments for conversion to credit equivalent amounts)	-10,524,431	-9,781,137
(General provisions deducted in determining Tier 1 capital and specific provisions associated associated with off-balance sheet exposures)	N/A	N/A
Off-balance sheet exposures	**5,953,615**	**5,972,075**
Excluded exposures		
(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-1,473,393	-1,506,871
(Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))	-10,366,689	-10,048,484
(Excluded exposures of public development banks (or units) - Public sector investments)	-	-
(Excluded exposures of public development banks (or units) - Promotional loans)	-	-

In € thousands	CRR leverage ratio exposures	
	12.31.2024	06.30.2024
(Excluded passing-through promotional loan exposures by non-public development banks (or units))	-	-
(Excluded guaranteed parts of exposures arising from export credits)	-	-
(Excluded excess collateral deposited at triparty agents)	-	-
(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	-	-
(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	-	-
(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
(Total exempted exposures)	**-11,840,082**	**-11,555,356**
Capital and total exposure measure		
Tier 1 capital	8,551,493	8,635,922
Total exposure measure	**133,522,835**	**127,869,779**
Leverage ratio		
Leverage ratio (%)	6.4%	6.8%
Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	6.4%	6.8%
Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	6.4%	6.8%
Regulatory minimum leverage ratio requirement (%)	3.0%	3.0%
Additional own funds requirements to address the risk of excessive leverage (%)	0.0%	0.0%
of which: to be made up of CET1 capital	0.0%	0.0%
Leverage ratio buffer requirement (%)	0.0%	0.0%
Overall leverage ratio requirement (%)	3.0%	3.0%
Choice on transitional arrangements and relevant exposures		
Choice on transitional arrangements for the definition of the capital measure	N/A	N/A
Disclosure of mean values		
Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	5,622,616	3,412,002
Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	4,842,484	4,461,775
Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	134,302,968	126,820,006
Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	134,302,968	126,820,006
Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	6.4%	6.8%
Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	6.4%	6.8%

Table 16 (EU LR3 - LRSpl): Split-up of on balance sheet exposures (excluding derivatives, securities financing transactions and exempted exposures)

As at 12.31.2024 In € thousands	CRR leverage ratio exposures
Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	**121,869,525**
Trading book exposures	0
Banking book exposures, of which:	121,869,525
Covered bonds	3,739,305
Exposures treated as sovereigns	19,386,101
Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	7,476,923
Institutions	2,870,061
Secured by mortgages of immovable properties	35,122,278
Retail exposures	24,609,717
Corporates	19,540,122
Exposures in default	1,096,587
Other exposures (eg equity, securitisations, and other non-credit obligation assets)	8,028,430

5. Capital adequacy

The Internal Capital Adequacy Assessment Process (ICAAP) is one of the four components of the Supervisory Review and Evaluation Process (SREP).

The internal capital adequacy assessment corresponds to the measurement of the solvency level expressed through:

- a standardized approach: projection of solvency ratios under central and stress scenarios, while ensuring compliance with the risk appetite framework;
- an economic approach: internal assessment of unexpected losses on all material risks (economic capital) of the bank and ensuring that they are covered by available capital for business continuity purposes (internal capital).

The ICAAP is fully integrated into the risk governance framework. Its starting point is the identification of material risks incurred by Crédit Mutuel Arkéa using a global risk mapping of the Group which is updated each year.

The standardized approach is based on a standardized assessment according to regulation and is common to all banks. The standardized approach aims to ensure that the institution is able to meet its capital requirements (under Pillar 1 and Pillar 2) at all times. Based on budget projections, the Crédit Mutuel Arkéa group projects its regulatory ratios over a three-year horizon according to various scenarios (central and adverse), taking into account all the effects of these scenarios on future ratios (impact on the income statement and capital, RWA, etc.). The forward-looking stress tests applied to forecasts are based on severe but plausible economic scenarios, taking into account the Group's main vulnerabilities and the current economic environment.

The economic approach is based on an internal assessment performed by the institution in order to better adapt to its risk profile. It therefore deviates from the regulatory assessment of the standardized approach. Within the Crédit Mutuel Arkéa group, this economic approach primarily relies on methodologies incorporating economic value considerations, complemented by stress-scenario methodologies and the assessment of risks other than those of Pillar 1.

The ICAAP makes it possible to assess the capital adequacy of the Crédit Mutuel Arkéa group by ensuring:

- prospective compliance with all prudential requirements and thresholds of the risk appetite framework for regulatory ratios (under central and stress scenarios); and
- broad coverage of economic capital by internal capital.

The results of the ICAAP, which are regularly presented to the Crédit Mutuel Arkéa group's management bodies, are used to demonstrate that the group has an adequate level of capital to cover its risk exposure, in line with its risk appetite thresholds. The solvency safety level, measured using both the standardized approach and the economic approach, is high, given the moderate risk profile of the Crédit Mutuel Arkéa group and the amount of its capital.

6. Credit risk

Credit risk is one of the Crédit Mutuel Arkéa group's main risks. Information on the structure and organization of the function responsible for credit risk management is provided in Crédit Mutuel Arkéa's 2024 Universal Registration Document, in the section entitled "Risks".

6.1. Exposures

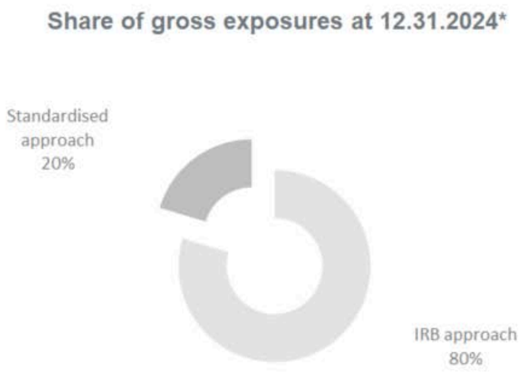
The Group uses its internal ratings system to calculate its regulatory capital requirements in respect of credit risk, following the authorization issued by the regulatory authorities:

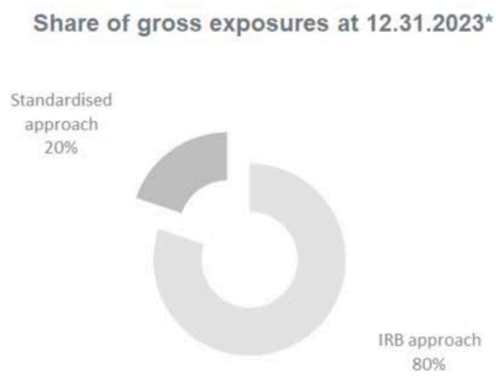
- using the advanced method for the retail customer and the corporate portfolios, excluding large accounts;
- using the foundation method for large accounts and bank portfolios.

As part of the TRIM exercise (targeted review of internal models), the European Central Bank (hereinafter "**ECB**") confirmed the approvals obtained under the advanced internal ratings method for retail portfolios. As regards large accounts and banks, in application of the TRIM constraints imposing limitations on these portfolios, Crédit Mutuel has decided to switch to the foundation method at March 31, 2022, thus anticipating the "Basel 4" rules applicable as from January 1, 2025. All these portfolios are in the process of taking into account the relevant recommendations.

Crédit Mutuel, including the Crédit Mutuel Arkéa group, has upgraded its systems for calculating PD (Probability of Default), LGD (Loss Given Default) and CCF (Credit Conversion Factor) on Retail and Corporate portfolios to ensure compliance with the guidelines of the EBA. These changes were validated by the ECB in 2023, and the new risk parameters were incorporated into the calculation of weighted risks on 06.30.2023 for the Retail category and on 09.30.2023 for the Corporate category.

The percentage of exposures authorized under the advanced and foundation method was more than 80% as of December 31, 2024.





*Based on the scope covering credit institutions, corporates and retail customers

Table 17 (EU CR1-A): Maturity of exposures

As at 12.31.2024 In € thousands	Net exposure value					
	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
Loans and advances	3,913,545	15,714,813	15,562,817	69,332,089	164,275	104,687,539
Debt securities	-	3,176,306	4,645,672	5,170,785	-	12,992,763
Total	**3,913,545**	**18,891,119**	**20,208,489**	**74,502,874**	**164,275**	**117,680,302**

6.2. Credit quality of assets

Non-performing exposures

A common definition of default has been adopted for Credit Mutuel. Based on the alignment of the prudential treatment with the accounting treatment (CRC 2002-03), this definition matches the Basel concept of loans in default and the accounting concept of non-performing loans and loans in litigation. The computer software factors in contagion, which means downgrading can be extended to include related outstandings. The controls carried out by the internal audit and by the statutory auditors ensure the reliability of the procedures for identifying defaults used to calculate capital requirements.

Since November 2019, Crédit Mutuel, including the Crédit Mutuel Arkéa group, have applied the definition of prudential default in accordance with the guidelines of the EBA and regulatory technical standards on the concepts of applicable materiality thresholds.

The main changes linked to the implementation of this definition are as follows:

- default analysis takes place at the borrower level and no longer at the contract level;
- the number of days past due/in arrears is assessed at the level of a borrower (obligor) or a group of borrowers (co-obligors) having a common commitment;
- default is triggered when 90 consecutive days past due/in arrears are observed at the level of a borrower/group of borrowers.Thus there are no non-payments over 90 days that are not impaired. The number of days is calculated when absolute (€100 Retail, €500 Corporate) and relative (more than 1% of balance sheet commitments overdue) materiality thresholds are crossed simultaneously. The counter is reset as soon as one of the two thresholds is crossed downwards;
- the scope of default contagion extends to all of the borrower's receivables and the individual commitments of borrowers participating in a joint credit obligation;
- the minimum probation period is three months before returning to performing status for non-restructured assets.

Crédit Mutuel, including the Crédit Mutuel Arkéa group, have chosen to use the definition of default based on the two-step approach proposed by the EBA:

- submission of a self-assessment and an authorization request to the supervisor. The rollout agreement was obtained by Crédit Mutuel in October 2019;
- implementation of the definition of default in the systems, then recalibration of the models after a 12-month period of observation of new defaults.

Crédit Mutuel believes the new definition of default, as required by the EBA, represents objective evidence of impairment in the accounting sense. The Group has therefore aligned the accounting (status/bucket 3) and prudential definitions of default.

Definitions and quantitative information concerning overdue payments are also provided in Crédit Mutuel Arkéa's 2022 Universal Registration Document, in the section entitled "Accounting principles and valuation methods".

Impairment provisions for credit risk

The provisions introduced by the EBA Guidelines on credit risk management practices and the recognition of expected credit losses, which came into force on January 1, 2018 (IFRS 9), have resulted in the internal credit risk assessment methods being changed in order to comply with Articles 114 and 115 of the administrative order of November 3, 2014.

This approach is based on an expected loss impairment model.Thus, the credit risk, and therefore any impairment provision, are recognized as soon as the loan is granted.

Each contract is subject to an "expected" credit loss calculation with risk parameters whose calculation methods and values are specific to the Crédit Mutuel Arkéa group. The calculation methods depend on the segmentation of the portfolios:

- HDP (High Default Portfolio): a portfolio with a high default rate (statistical modeling);
- LDP (Low Default Portfolio): a portfolio with a low default rate (expert modeling).

It should be noted that the Group does not apply the transitional provisions relating to IFRS 9 (the capital and capital and leverage ratios reflect the total impact of IFRS 9).

Allocating loans to the various buckets on the grant date

At the time loans are granted, they are allocated to one of the three risk categories, known as buckets, defined by IFRS 9:

- a contract (loan or securities) on a performing counterparty is allocated, at the time of approval, to bucket 1 regardless of its risk level (ratings from A+ to E+ inclusive), unless it is a loan identified as a restructured loan which will systematically be allocated to bucket 2;
- a contract (loan or securities) granted on a counterparty in default is allocated to bucket 3.

Allocation to the various buckets at each reporting date

Changes in risk quality are analyzed at each reporting date. In this regard, the probability of default for each loan estimated on the initial recognition date is compared with its estimated probability of default on the reporting date.

Accordingly, at each quarter end and for each financial instrument, the allocation rule is as follows:

- in the case of a counterparty in default (see below for downgrading criteria), all the counterparty's contracts are allocated to bucket 3 (loans in default);
- in the case of a performing counterparty, absolute and relative criteria are reviewed. These criteria are as follows:

- absolute criteria: contractual payments more than 30 days past due, contract in default the previous month, securities rated as speculative grade, and concept of restructured loans (forbearance);
- relative criteria: comparison of the probabilities of default at the grant date and the probabilities of default at the reporting date for financial instruments with internal statistical models (High Default Portfolio) or comparison of the ratings at the grant date and the ratings at the reporting date (Low Default Portfolio).

An examination of these criteria determines whether the debt is maintained in its original bucket or transferred to another bucket (for example, transfer from bucket 1 to bucket 2 in the event of an increase in the risk, or return from bucket 2 to bucket 1 in the event of a reduction in the risk).

The methods used to calculate provisions differ according to the bucket to which the loan is allocated: the expected credit loss is assessed over a maximum period of one year in the case of loans in bucket 1, whereas it is calculated over the contract's residual life in the case of loans in bucket 2. For a given contract, the amount of the provision on bucket 2 is therefore greater than that of the provision on bucket 1.

These absolute and relative criteria are supplemented by consideration of forward-looking information to assess the future changes in the parameters making up the expected credit losses (ECL).

As regards downgrading to default, the Crédit Mutuel Arkéa group has opted for systematic downgrading in compliance with the accounting regulations on default (see CRC Regulation 2014-07 of November 26, 2014 on the accounting treatment of credit risk) and the Basel accords.

The criteria that result in a counterparty being downgraded to default are as follows:

- knowledge of collective proceedings (safeguard procedure, receivership or court-ordered liquidation);
- notification of the admissibility of over-indebtedness proceedings;
- knowledge of personal recovery proceedings in the case of retail customers;
- loan with amount(s) more than 90 days past due;
- current account(s) with an irregular debit balance for more than 90 days, with a materiality threshold of €150, with the understanding that after a period of 6 months the counterparty is downgraded to default regardless of the outstanding amount;
- out-of-court recovery that has become impossible;
- contagion of the default according to the rules used in the Basel regulations;
- doubt as to the ability of a debtor to honor all or part of its commitments, when its situation presents characteristics such that regardless of the existence of any unpaid debt, it can be concluded that there is a proven risk. This is particularly the case where the debtor's worsened financial situation gives rise to a risk of non-recovery;
- for loans considered to be restructured: payment arrears of more than 30 days or a new restructuring measure.

All receivables due from these counterparties are systematically allocated to bucket 3 and are the subject of a single provision allocated for loan impairment.

As of December 31, 2024, the breakdown of outstandings and provisions by bucket[2] was as follows:

[2] Bicket 3 includes POCI

In € thousands	Balance sheet provisionable outstandings	Provisions
Bucket 1	108,482,256	182,747
Bucket 2	8,280,876	303,635
Bucket 3	1,857,874	832,566

In € thousands	Off-balance sheet provisionable outstandings	Provisions
Bucket 1	15,492,043	16,002
Bucket 2	969,065	7,235
Bucket 3	90,928	21,028

Consideration of the current macroeconomic context

For FY2024, growth estimates were revised upwards, reflecting in particular the positive contribution of the Olympic Games and a positive contribution from external trade. However, activity remained constrained in the second half of 2024. The gains in purchasing power did not allow for a recovery in domestic demand. Confidence has remained depressed, allowing for a wait-and-see attitude as political uncertainties (French budget, German elections in February) and geopolitical uncertainties (related to Donald Trump's election) have increased.

Based on macro-economic scenarios defined for Crédit Mutuel, default probabilities have been defined to estimate expected losses, on the basis of macroeconomic scenarios defined for Crédit Mutuel, default probabilities have been defined which allow the expected losses to be estimated. Models linking macroeconomic data and observed default rates allow forward looking risk for each scenario individually. The default probabilities finally selected are a weighted expression of the default probabilities specific to each scenario (central, stressed, neutral).

. On these bases, the provisioning system for the portfolio is maintained:

- the credit risk identification models and processes, which make up the internal ratings system, remain efficient in the current economic environment;
- the Group has an early warning system that makes it possible to anticipate and detect early signs of client weakness;
- the parameters used to calculate expected losses, probability of default, loss given default and credit conversion factor, have been updated as at December 31, 2023, in accordance with the methodology in place;
- the weighting of the neutral scenario is set at 70%. The other scenarios are weighted accordingly at 25% and 5% for the pessimistic and optimistic scenarios respectively.

In order to anticipate environmental impacts on credit risk, a sectoral provision of €21 million has been booked at December 31, 2024. This makes it possible to include climate and biodiversity risks in the Group's overall forward-looking framework.

The selected business lines are selected from an internal transition risk benchmark and an expert review of physical risk (for the real estate sector).

Thus, the sectoral overlay makes it possible to increase the coverage of the crop and animal production sectors (A01), land and pipeline transport (H49), water transport (H50), real estate (L68) and part of residential housing.

Forbone exposures

Exposures are restructured as a result of the debtor’s financial difficulties. This involves the Group making concessions to the debtor (changes in the contract terms such as the rate or term, partial waiver, additional financing that would not have been granted in the absence of such difficulties, etc.). The Crédit Mutuel Arkéa group has the means in its IT systems to identify restructured exposures in its performing and non-performing portfolios, which are defined using the principles set out by the EBA on October 23, 2013.

The notion of restructured loans is governed by a number of regulatory provisions:

- EBA forbearance-related guidelines of March 2015;
- Implementing Regulation (EU) 2017/1443;
- ECB guidelines on non-performing loans of March 2017;
- EBA guidelines on the management of non-performing and restructured exposures of 31/10/2018 ref EBA/GL/2018/06.

Restructuring results, as a minimum, in a transfer to bucket 2.

The following tables provide a breakdown of outstanding non-performing loans and loans in litigation and the related provisions at December 31, 2024 according to their business sector or counterparty type, their Basel treatment method and their geographic area.

Table 18 (EU CQ1): Credit quality of forborne exposures

As at 12.31.2024 In € thousands	Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
	Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
			Of which defaulted	Of which impaired				
Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
Loans and advances	302,374	668,999	668,999	668,999	-18,236	-227,663	550,247	334,642
Central banks	-	-	-	-	-	-	-	-
General governments	4,006	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-	-	-
Other financial corporations	52,107	11,273	11,273	11,273	-84	-2,701	52,283	8,149
Non-financial corporations	147,650	425,276	425,276	425,276	-14,274	-149,650	313,280	215,039
Households	98,611	232,450	232,450	232,450	-3,878	-75,312	184,684	111,454
Debt Securities	-	-	-	-	-	-	-	-
Loan commitments given	18,790	7,353	7,353	7,353	-100	-2,916	5,867	2,067
Total	**321,164**	**676,352**	**676,352**	**676,352**	**-18,336**	**-230,579**	**556,114**	**336,709**

Table 19 (EU CQ3): Credit quality of performing and non-performing exposures by past due days

As at 12.31.2024 In € thousands	Gross carrying amount/nominal amount					
	Performing exposures			Non-performing exposures		
		Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days
Cash balances at central banks and other demand deposits	10,555,049	10,555,049	-	-	-	-
Loans and advances	104,143,245	103,953,233	190,012	1,857,288	646,931	266,420
Central banks	-	-	-	-	-	-
General governments	10,465,732	10,457,238	8,494-	-	-	-
Credit institutions	13,750,195	13,750,195	0	-	-	-
Other financial corporations	2,076,494	2,075,087	1,407	22,148	11,800	147
Non-financial corporations	28,144,228	28,078,150	66,078	1,137,511	410,695	164,739
Of which SMEs	12,557,383	12,518,969	38,414	700,366	205,973	55,779
Households	49,706,596	49,592,563	114,033	697,629	224,436	101,534
Debt securities	12,997,819	12,997,819	-	898-	898-	-
Central banks	167,431	167,431	-	-	-	-
General governments	4,367,157	4,367,157	-	-	-	-
Credit institutions	6,929,735	6,929,735	-	-	-	-
Other financial corporations	494,818	494,818	-	723-	723-	-
Non-financial corporations	1,038,678	1,038,678	-	175-	175-	-
Off-balance-sheet exposures	31,691,602			90,928		
Central banks	13,596,028			-		
General governments	2,174,856			-		
Credit institutions	1,552,901			1,982		
Other financial corporations	1,770,130			4,480		
Non-financial corporations	10,068,697			62,708		
Households	2,528,990			21,758		
Total	159,387,715	127,506,101	190,012	1,949,114	647,829	266,420

As at 12.31.2024 In € thousands	Gross carrying amount/nominal amount					
	Non-performing exposures					
	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted
Cash balances at central banks and other demand deposits	-	-	-	-	-	-
Loans and advances	274,570	187,013	187,058	77,667	217,629	1,857,288
Central banks	-	-	-	-	-	-
General governments	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-
Other financial corporations	4,018	985	1,134	122	3,942	22,148
Non-financial corporations	107,035	128,866	134,585	62,649	128,942	1,137,511
Of which SMEs	87,911	96,113	86,421	43,344	124,825	700,366
Households	163,517	57,162	51,339	14,896	84,745	697,629
Debt securities	-	-	-	-	-	898-
Central banks	-	-	-	-	-	-
General governments	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-
Other financial corporations	-	-	-	-	-	723-
Non-financial corporations	-	-	-	-	-	175-
Off-balance-sheet exposures						90,928
Central banks						-
General governments						-
Credit institutions						1,982
Other financial corporations						4,480
Non-financial corporations						62,708
Households						21,758
Total	274,570	187,013	187,058	77,667	217,629	1,949,114

Table 20 (EU CQ4): Quality of non-performing exposures by geography

Au 31.12.2024 En milliers d'euros	Valeur comptable / montant nominal brut				Dépréciation cumulée	Provisions sur engagements hors bilan et garanties financières donnés
		Dont non performantes		Dont soumises à dépréciation		
			Dont en défaut			
Expositions au bilan	**118,999,250**		**1,858,186**		**-1,318,948**	
France	109,110,464		1,845,545		-1,308,320	
Allemagne	890,884		53		-178	
Luxembourg	1,058,738		607		-2,015	
Belgique	2,324,075		7,584		-2,807	
Royaume-Uni	75,776		359		-322	
Suisse	86,681		172		-246	
Etats-Unis d'Amérique	255,095		2,244		-1,755	
Espagne	1,000,060		385		-588	
Pays-Bas	905,940		-		-354	
Canada	847,012		199		-167	
Italie	762,573		69		-1,290	
Singapour	12,733		-		-4	
Australie	2,457		-		-	
Irlande	157,393		-		-25	
Portugal	5,359		401		-388	
Japon	231		-		-	
Suède	431,863		-		-149	
Hong-Kong	1,365		-		-	
Autriche	174,162		-		-59	
Monaco	4,382		-		-22	
Russie	327		-		-	
Ukraine	174		-		-	
Belarus	-		-		-	
Autres pays	891,506		568		-259	
Expositions hors bilan	**31,782,530**		**90,928**			**44,265**
France	31,544,241		90,925			44,097
Allemagne	522		-			-
Luxembourg	38,976		1			43
Belgique	116,303		-			30
Royaume-Uni	26,033		-			63
Suisse	16,015		-			19
Etats-Unis d'Amérique	1,991		-			1
Espagne	1,160		-			-
Pays-Bas	356		-			-
Canada	407		-			-
Italie	229		-			-
Singapour	1,606		-			1
Australie	33		-			-
Irlande	129		-			-
Portugal	799		-			-
Japon	10		-			-
Suède	19		-			-
Hong-Kong	15		-			-
Autriche	10		-			-
Monaco	20,755		-			9
Russie	4		-			-
Ukraine	-		-			-
Belarus	-		-			-
Autres pays	12,917		2			2
Total	**150,781,780**		**1,949,114**		**-1,318,948**	**44,265**

(*) The publication of these columns is subject to a threshold (NPL rate > 5%), in accordance with Article 8(3) of the he Implementing Regulation (EU) 2021/637 laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part 8 of the CRR.

Table 21 (EU CQ5): Credit quality of loans and advances to non-financial corporations by industry

As at 12.31.2024 In € thousands	Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		Of which non-performing (*)		Of which loans and advances subject to impairment (*)		
			Of which defaulted			
Agriculture, forestry and fishing	2,403,269		149,040		-120,893	-
Mining and quarrying	20,246		380		-703	-
Manufacturing	1,161,138		143,736		-84,665	-
Electricity, gas, steam and air conditioning supply	790,102		19,724		-24,434	-
Water supply	130,357		3,910		-3,072	-
Construction	1,688,755		79,788		-66,567	-
Wholesale and retail trade	2,439,838		161,911		-113,101	-
Transport and storage	568,896		18,299		-12,228	-
Accommodation and food service activities	679,341		62,549		-42,299	-
Information and communication	212,021		10,203		-6,037	-
Financial and insurance actvities	2,162,641		40,942		-50,955	-
Real estate activities	11,257,215		188,093		-155,964	-
Professional, scientific and technical activities	3,274,814		153,091		-105,605	-
Administrative and support service activities	1,233,471		58,607		-30,949	-
Public administration and defense, compulsory social security	77,037		-		-	-
Education	150,753		5,625		-3,740	-
Human health services and social work activities	444,919		13,933		-8,727	-
Arts, entertainment and recreation	260,958		16,150		-7,341	-
Other services	325,968		11,530		-12,152	-
Total	**29,281,739**		**1,137,511**		**-849,432**	**-**

(*) The publication of these columns is subject to a threshold (NPL rate > 5%), in accordance with Article 8(3) of the he Implementing Regulation (EU) 2021/637 laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part 8 of the CRR.

Table 22 (EU CQ7): Collateral obtained by taking possession and execution processes

As at 12.31.2024 In € thousands	Collateral obtained by taking possession	
	Value at initial recognition	Accumulated negative changes
Property, plant and equipment (PP&E)	-	-
Other than PP&E	1,231	-263
Residential immovable property	1,231	-263
Commercial Immovable property	-	-
Movable property (auto, shipping, etc.)	-	-
Equity and debt instruments	-	-
Other collateral	-	-
Total	**1,231**	**-263**

Table 23 (EU CR1): Performing and non-performing exposures and related provisions

As at 12.31.2024 In € thousands	Gross carrying amount/nominal amount					
	Performing exposures			Non-performing exposures		
		Of which stage 1	Of which stage 2		Of which stage 1	Of which stage 3
Cash balances at central banks and other demand deposits	10,555,049	10,555,049	-	-	-	-
Loans and advances	104,143,245	95,854,825	8,232,149	1,857,288	-	1,640,464
Central banks	-	-	-	-	-	-
General governments	10,465,732	10,417,360	48,372	-	-	-
Credit institutions	13,750,195	13,750,193	-	-	-	-
Other financial corporations	2,076,494	1,858,346	217,082	22,148	-	20,307
Non-financial corporations	28,144,228	24,331,171	3,768,337	1,137,511	-	942,006
Of which SMEs	12,557,383	10,478,693	2,056,130	700,366	-	616,085
Households	49,706,596	45,497,755	4,198,358	697,629	-	678,151
Debt securities	12,997,819	12,723,862	-	898	-	898
Central banks	167,431	167,431	-	-	-	-
General governments	4,367,157	4,367,157	-	-	-	-
Credit institutions	6,929,735	6,929,735	-	-	-	-
Other financial corporations	494,818	492,042	-	723	-	723
Non-financial corporations	1,038,678	767,497	-	175	-	175
Off-balance-sheet exposures	31,691,602	30,722,537	958,840	90,928	-	63,316
Central banks	13,596,028	13,596,028	-	-	-	-
General governments	2,174,856	2,174,850	6	-	-	-
Credit institutions	1,552,901	1,552,901	-	1,982	-	1,982
Other financial corporations	1,770,130	1,747,001	23,127	4,480	-	318
Non-financial corporations	10,068,697	9,216,244	843,079	62,708	-	39,485
Households	2,528,990	2,435,513	92,628	21,758	-	21,531
Total	**159,387,715**	**149,856,273**	**9,190,989**	**1,949,114**	**-**	**1,704,678**

As at 12.31.2024 In € thousands	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions							Collateral and financial guarantees received	
	Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off (*)	On performing exposures	On non-performing exposures
		Of which stage 1	Of which stage 2		Of which stage 1	Of which stage 3			
Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-	-
Loans and advances	-481,326	-177,691	-300,706	-831,668	-	-743,475	-	58,729,473	790,203
Central banks	-	-	-	-	-	-	-	-	-
General governments	-6,932	-5,015	-1,917	-	-	-	-	1,161,999	-
Credit institutions	-5,326	-5,326	-	-	-	-	-	704,661	-
Other financial corporations	-24,348	-8,567	-15,772	-9,679	-	-8,195	-	1,124,336	11,879
Non-financial corporations	-299,748	-110,320	-186,791	-549,684	-	-472,237	-	20,049,848	486,084
Of which SMEs	-153,021	-50,733	-100,288	-368,656	-	-321,638	-	7,932,039	246,545
Households	-144,972	-48,463	-96,226	-272,305	-	-263,043	-	35,688,629	292,240
Debt securities	-5,056	-5,056	-	-898	-	-898	-	-	-
Central banks	-30	-30	-	-	-	-	-	-	-
General governments	-2,336	-2,336	-	-	-	-	-	-	-
Credit institutions	-1,022	-1,022	-	-	-	-	-	-	-
Other financial corporations	-848	-848	-	-723	-	-723	-	-	-
Non-financial corporations	-820	-820	-	-175	-	-175	-	-	-
Off-balance-sheet exposures	-23,237	-16,002	-7,084	-21,028	-	-14,498	-	3,497,977	9,373
Central banks	-	-	-	-	-	-	-	565,647	-
General governments	-463	-463	-	-	-	-	-	5,000	-
Credit institutions	-539	-539	-	-	-	-	-	428,284	-
Other financial corporations	-696	-460	-236	-211	-	-211	-	113,594	-
Non-financial corporations	-19,287	-12,674	-6,464	-16,545	-	-10,042	-	1,815,152	7,707
Households	-2,252	-1,866	-384	-4,272	-	-4,245	-	570,300	1,666
Total	**-509,619**	**-198,749**	**-307,790**	**-853,594**	**-**	**-758,871**	**-**	**62,227,450**	**799,576**

(*) The Crédit Mutuel Arkéa group applies local law and losses are not recognised until all recovery rights have expired.

Table 24 (EU CR2): Changes in the stock of non-performing loans and advances

In € thousands	Gross carrying amount
Initial stock of non-performing loans and advances as at 12.31.2023	**1,572,453**
Inflows to non-performing portfolios	804,567
Outflows from non-performing portfolios	-519,732
Outflows due to write-offs	-98,086
Outflow due to other situations	-421,646
Final stock of non-performing loans and advances as at 12.31.2024	**1,857,288**

The NPL rate of the Crédit Mutuel Arkéa group at December 31, 2024 does not exceed the 5% threshold. Consequently, the following tables are not displayed in the Crédit Mutuel Arkéa group's Pillar 3 report:

- EU CQ2 Quality of forbearance;
- EU CQ6: Collateral valuation - loans and advances;
- EU CQ8: Collateral obtained by taking possession and execution processes – vintage breakdown;
- EU CR2-A: Changes in the stock of non-performing loans and advances and related net accumulated recoveries.

6.3. Standardized approach

Exposures dealt with under the standardized approach are set out in the following table.

The Crédit Mutuel Arkéa group uses assessments by rating agencies recognized by the supervisor (external credit assessment institutions - ECAI) to measure the risk on exposures dealt with using the standard method. The ratings of Standard & Poor's, Moody's and Fitch are mainly used for exposures to institutions, governments and central banks. The valuations of the Banque de France are mainly used for exposures to companies.

The cross-reference table used to link the credit quality steps to the external ratings taken into consideration is that defined in the regulations.

Table 25 (EU CR5): Standardised approach

As at 12.31.2024 In € thousands Exposure classes	Risk weight 0%	2%	4%	10%	20%	35%	50%	70%	75%
Central governments or central banks	14,685,565	0	0	0	0	0	0	0	0
Regional government or local authorities	7,487,274	-	-	-	196	-	-	-	-
Public sector entities	13,114,680	-	-	-	1,975,356	-	-	-	-
Multilateral development banks	549,656	-	-	-	-	-	-	-	-
International organisations	167,378	-	-	-	-	-	-	-	-
Institutions	222,341	-	-	-	1,928	-	22,914	-	-
Corporates	-	-	-	-	223	-	28,904	-	-
Retail exposures	-	-	-	-	-	-	-	-	4,589,343
Exposures secured by mortgages on immovable property	-	-	-	-	-	5,986,447	6,676	-	683,979
Exposures in default	-	-	-	-	-	-	-	-	-
Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-
Covered bonds	-	-	-	-	-	-	-	-	-
Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-
Units or shares in collective investment undertakings	-	-	-	-	-	-	-	-	-
Equity exposures	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-	-	-
TOTAL	**36,226,893**	**-**	**-**	**-**	**1,977,703**	**5,986,447**	**58,494**	**-**	**5,273,322**

As at 12.31.2024 In € thousands Exposure classes	Risk weight 100%	150%	250%	370%	1250%	Others	Total	Of which unrated
Central governments or central banks	0	0	20,825	0	0	0	**14,706,391**	0
Regional government or local authorities	-	-	-	-	-	-	**7,487,470**	-
Public sector entities	-	-	-	-	-	-	**15,090,036**	-
Multilateral development banks	-	-	-	-	-	-	**549,656**	-
International organisations	-	-	-	-	-	-	**167,378**	-
Institutions	-	-	-	-	-	-	**247,183**	37
Corporates	183,045	16,053	-	-	-	-	**228,225**	68,872
Retail exposures	-	-	-	-	-	-	**4,589,343**	4,200,134
Exposures secured by mortgages on immovable property	-	-	-	-	-	-	**6,677,102**	6,624,508
Exposures in default	297,891	19,890	-	-	-	-	**317,781**	317,781
Exposures associated with particularly high risk	-	-	-	-	-	-	**-**	-
Covered bonds	-	-	-	-	-	-	**-**	-
Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	**-**	-
Units or shares in collective investment undertakings	-	-	-	-	3,474	9,970	**13,444**	9,483
Equity exposures	15,378	-	-	-	-	-	**15,378**	15,378
Other items	1,156,434	-	-	-	-	-	**1,156,434**	1,049,692
TOTAL	**1,652,747**	**35,943**	**20,825**	**-**	**3,474**	**9,970**	**51,245,819**	**12,285,886**

6.4. Internal ratings-based approach

Rating procedures and parameters

Rating algorithms and expert models have been developed to improve credit risk assessment within Crédit Mutuel and to comply with the regulatory requirements concerning internal ratings-based approaches.

Confédération Nationale du Crédit Mutuel (hereinafter “**CNCM**”) is responsible for defining the rating methodologies for all portfolios. The Crédit Mutuel Arkéa group provides the CNCM with human resources dedicated to developing and maintaining statistical models. In addition, it is directly involved in developing and approving working group projects on specific issues, as well as in work related to data quality and application acceptance testing.

The counterparty rating system is used throughout Crédit Mutuel.

The **probability of default** (hereinafter “**PD**”) is the likelihood that a counterparty will default within a one-year period. The Crédit Mutuel Arkéa group's counterparties eligible for internal approaches are rated by a single system using:

- statistical algorithms or “mass ratings”, based on one or more models, factoring in a selection of variables which are representative and predictive of credit risk;
- rating grids developed by experts.

These models are used to differentiate and correctly classify risk. The scale reflects the manner in which the risk changes and is broken down into eleven positions including nine performing positions (A+, A-, B+, B-, C+, C-, D+, D- and E+) and two default positions (E and F).

In the so-called “mass” corporate and retail scopes, following the internal rating process, each borrower is allocated a rating. Based on this rating as well as other characteristics, performing borrowers are grouped into homogeneous risk classes, prior to the process of measuring the regulatory PD (probability of default) parameter. The grouping analyses are carried out on the segments defined for the purposes of modeling the algorithms. A risk class’s probabilities of default are then estimated on the basis of the historical default rates observed on the exposures belonging to this class, based on a record of more than ten years of observations. Prudence margins are taken into account to factor in the uncertainty of estimates (e.g. relating to time volatility or data quality).

In the other scopes, too few transfers of customers to non-performing are available to ensure the relevance and reliability of statistical estimates. The probabilities of default associated with the internal ratings are calibrated on the basis of external data.

The **loss given default** (hereinafter “**LGD**”) is the ratio of the loss on an exposure in the event of a counterparty default to the amount of exposure at the time of default.

Internal models for estimating LGD have been developed by the Group and approved for the Bank, Corporate and Retail exposure classes.

In the "mass" Corporate and Retail scopes, LGD is calculated separately for each class defined according to the type of loan, the nature of the collateral, the type of borrower and operating characteristics.. LGD is estimated based on the updated monthly collections observed for each class. Prudence margins are taken into account to factor in the uncertainty of estimates and the downturn nature of the LGD. The calculations are based on an internal record of defaults and losses covering more than fifteen years.

The **credit conversion factor** (hereinafter “**CCF**”) corresponds to the ratio of the currently undrawn portion of a credit line that could be drawn and would therefore be exposed in the event of default to the portion of said credit line currently undrawn.

In the case of the corporate and retail customer portfolios, the CCFs are calculated in accordance with an internal method approved for financing commitments. In the case of guarantee commitments and the bank exposure class, regulatory values (foundation method) are applied.

In the Corporate and Retail scopes, the internal CCFs are estimated based on average historical CCFs weighted by the number of contracts, using segmentation based on product and operating characteristics. They are calibrated on the basis of internal data.

The parameters used to calculate weighted risks (hereinafter “**RWA**”) are national and apply to all Crédit Mutuel entities.

Model map

Modeled parameter	Exposure class	Portfolios	Number of models	Methodology
PD	Banks	Financial institutions	2 models : Banks and covered bonds	Expert-type models based on grids comprising qualitative and quantitative variables
	Corporates	Large Accounts (revenue>€500M)	6 models according to the type of counterparty and sector	Expert-type models based on grids comprising qualitative and quantitative variables
		"Mass" corporates (revenue<€500M)	3 models	Quantitative-type models with expert qualitative grids
		Acquisition financing, large corporates	1 model	Expert-type model based on a grid comprising qualitative and quantitative variables
		Acquisition financing, corporates	1 model	Quantitative-type model combined with experts qualitative grids
		Specialized financing	SF - assets: 6 models according to the type of asset SF - projects: 4 models according to the sector SF - real estate: 1 model	Expert-type models based on grids comprising qualitative and quantitative variables
		Other corporates	2 models : Real estate companies and insurance companies	Expert-type models based on grids comprising qualitative and quantitative variables
	Retail	Individuals	6 models according to the type of loans (real estate loan, overdraft, etc.)	Quantitative-type models
		Corporate bodies	4 models according to the type of customer	Quantitative-type models
		Sole traders	3 models according to the type of profession (retailers, artisans, etc.)	Quantitative-type models
		Farmers	6 models according to the account status and the type of activity (cyclical or not)	Quantitative-type models
		Non-profit organizations	1 model	Quantitative-type model
		Real estate trusts	1 model	Quantitative-type model
LGD	Corporates	"Mass" corporates	1 model applied to 11 segments according the type of loan, the nature of the collateral, the scoring algorithm and operating characteristics	Quantitative-type models based on internal collection flows
	Retail		1 model applied to 24 segments according the type of loan, the nature of the collateral, the scoring algorithm and operating characteristics	Quantitative-type models based on internal collection flows
CCF	Corporates	"Mass" corporates	1 model applied to 5 segments according the type of loan and operating characteristics	Quantitative-type model, CCFs calibrated using internal data
	Retail		1 model applied to 12 segments according the type of loan and operating characteristics	Quantitative-type model, CCFs calibrated using internal data

Table 26 (EU CR6): IRB approach – Credit risk exposures by exposure class and PD range

Advanced internal method

A-IRB As at 12.31.2024 In € thousands	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust-ments and provisions
Corporates													
	0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.00 to <0.10	-	-	-	-	-	-	-	-	-	-	-	-
	0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	1,216,468	460,358	76%	1,393,144	0.24%	1 000 to 5 000	28.69%	2.50	402,889	29%	959	-
	0.25 to <0.50	3,116,200	899,598	77%	3,496,764	0.38%	5 000 to 10 000	24.75%	2.50	1,035,271	30%	3,349	-
	0.50 to <0.75	1,173,680	163,979	77%	1,270,445	0.67%	1 000 to 5 000	20.09%	2.50	353,849	28%	1,711	-
	0.75 to <2.50	5,624,385	2,491,764	78%	6,643,754	1.42%	5 000 to 10 000	25.91%	2.50	3,457,677	52%	23,955	-
	0.75 to <1.75	4,084,328	1,658,414	79%	4,783,338	1.17%	5 000 to 10 000	26.34%	2.50	2,396,293	50%	14,696	-
	1.75 to <2.5	1,540,057	833,350	78%	1,860,416	2.03%	1 000 to 5 000	24.82%	2.50	1,061,384	57%	9,259	-
	2.50 to <10.00	2,942,056	1,185,991	84%	3,438,992	4.19%	1 000 to 5 000	27.17%	2.50	2,734,935	80%	38,148	-
	2.5 to <5	2,176,868	895,570	83%	2,578,196	3.35%	1 000 to 5 000	28.10%	2.50	2,014,040	78%	24,081	-
	5 to <10	765,188	290,421	85%	860,796	6.70%	1 000 to 5 000	24.38%	2.50	720,894	84%	14,067	-
	10.00 to <100.00	455,029	97,982	78%	479,905	19.68%	500 to 1 000	24.11%	2.50	538,445	112%	22,923	-
	10 to <20	220,478	61,539	78%	235,229	12.06%	100 to 500	23.58%	2.50	238,054	101%	6,684	-
	20 to <30	215,084	29,794	77%	222,542	25.95%	100 to 500	25.10%	2.50	278,651	125%	14,572	-
	30.00 to <100.00	19,467	6,649	84%	22,135	37.79%	0 to 100	19.94%	2.50	21,740	98%	1,668	-
	100.00 (Default)	560,404	69,510	83%	520,057	100.00%	500 to 1 000	53.11%	2.50	314,937	61%	251,715	-
Sub-total (Corporates)		15,088,223	5,369,182	79%	17,243,061	5.09%		26.49%	2.50	8,838,002	51%	342,759	-499,203
Corporates - of which: SMEs													
	0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.00 to <0.10	-	-	-	-	-	-	-	-	-	-	-	-
	0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	568,093	196,535	79%	641,634	0.24%	500 to 1 000	29%	2.50	151,462	24%	445	-
	0.25 to <0.50	1,976,592	440,664	78%	2,168,189	0.36%	1 000 to 5 000	24%	2.50	504,576	23%	1,908	-
	0.50 to <0.75	946,689	128,985	82%	1,024,413	0.67%	1 000 to 5 000	19.78%	2.50	252,981	25%	1,358	-
	0.75 to <2.50	3,383,445	1,183,355	78%	3,926,249	1.42%	5 000 to 10 000	25.52%	2.50	1,684,381	43%	13,968	-
	0.75 to <1.75	2,506,550	856,923	81%	2,918,668	1.19%	1 000 to 5 000	25.88%	2.50	1,217,701	42%	8,929	-
	1.75 to <2.5	876,895	326,432	75%	1,007,582	2.07%	1 000 to 5 000	24.49%	2.50	466,681	46%	5,039	-
	2.50 to <10.00	1,314,827	440,255	86%	1,497,924	4.32%	1 000 to 5 000	26.01%	2.50	905,919	60%	16,461	-
	2.5 to <5	964,120	337,523	83%	1,107,619	3.42%	1 000 to 5 000	26.84%	2.50	654,766	59%	10,120	-
	5 to <10	350,706	102,733	90%	390,305	6.89%	500 to 1 000	23.66%	2.50	251,153	64%	6,341	-
	10.00 to <100.00	294,770	58,639	80%	310,617	18.95%	100 to 500	23.24%	2.50	294,916	95%	13,722	-
	10 to <20	151,991	44,895	83%	164,851	12.07%	100 to 500	23.02%	2.50	150,464	91%	4,578	-
	20 to <30	130,634	12,739	78%	133,107	25.69%	100 to 500	23.93%	2.50	134,571	101%	8,237	-
	30.00 to <100.00	12,145	1,005	80%	12,658	37.79%	0 to 100	18.96%	2.50	9,881	78%	907	-
	100.00 (Default)	354,167	24,180	83%	339,156	100.00%	500 to 1 000	52.05%	2.50	223,202	66%	159,164	-
Sub-total (Corporates - of which: SMEs)		8,838,583	2,472,612	81%	9,908,182	5.40%		25.70%	2.50	4,017,437	41%	207,026	-272,387
Corporates - of which: non-SMEs													
	0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.00 to <0.10	-	-	-	-	-	-	-	-	-	-	-	-
	0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	648,375	263,822	72%	751,510	0.24%	100 to 500	28.51%	2.50	251,428	33%	514	-
	0.25 to <0.50	1,139,608	458,934	75%	1,328,575	0.41%	1 000 to 5 000	26.16%	2.50	530,694	40%	1,440	-
	0.50 to <0.75	226,991	34,995	73%	246,032	0.67%	100 to 500	21.39%	2.50	100,868	41%	353	-
	0.75 to <2.50	2,240,940	1,308,409	78%	2,717,505	1.41%	1 000 to 5 000	26.48%	2.50	1,773,295	65%	9,987	-
	0.75 to <1.75	1,577,777	801,490	76%	1,864,671	1.15%	1 000 to 5 000	27.07%	2.50	1,178,592	63%	5,767	-
	1.75 to <2.5	663,163	506,918	81%	852,834	1.98%	500 to 1 000	25.20%	2.50	594,703	70%	4,220	-
	2.50 to <10.00	1,627,229	745,736	81%	1,941,068	4.09%	500 to 1 000	28.06%	2.50	1,829,015	94%	21,687	-
	2.5 to <5	1,212,748	558,047	82%	1,470,578	3.30%	500 to 1 000	29.05%	2.50	1,359,274	92%	13,960	-
	5 to <10	414,482	187,689	79%	470,491	6.54%	100 to 500	24.97%	2.50	469,742	100%	7,726	-
	10.00 to <100.00	160,259	39,344	76%	169,288	21.02%	100 to 500	25.72%	2.50	243,530	144%	9,201	-
	10 to <20	68,487	16,644	73%	70,377	12.02%	0 to 100	24.89%	2.50	87,590	124%	2,106	-
	20 to <30	84,450	17,055	77%	89,434	26.33%	0 to 100	26.84%	2.50	144,080	161%	6,335	-
	30.00 to <100.00	7,323	5,645	88%	9,477	37.79%	0 to 100	21.24%	2.50	11,860	125%	761	-
	100.00 (Default)	206,237	45,330	84%	180,901	100.00%	100 to 500	55.10%	2.50	91,735	51%	92,551	-
Sub-total (Corporates - of which: non-SMEs)		6,249,640	2,896,569	77%	7,334,879	4.68%		27.57%	2.50	4,820,565	66%	135,733	-226,815
Retail customers													
	0.00 to <0.15	30,661,627	1,279,983	55%	31,462,493	0.06%	500 000 to 1 000 000	19.08%	-	1,056,969	3%	3,801	-
	0.00 to <0.10	23,749,948	1,005,936	56%	24,391,894	0.04%	500 000 to 1 000 000	19.06%	-	662,081	3%	2,067	-
	0.10 to <0.15	6,911,679	274,047	54%	7,070,599	0.13%	100 000 to 500 000	19.15%	-	394,887	6%	1,734	-
	0.15 to <0.25	910,113	143,229	57%	1,000,137	0.18%	50 000 to 100 000	20.74%	-	71,135	7%	367	-
	0.25 to <0.50	6,489,392	348,379	54%	6,675,759	0.31%	100 000 to 500 000	21.34%	-	776,451	12%	4,514	-
	0.50 to <0.75	1,819,696	74,334	55%	1,855,961	0.54%	10 000 to 50 000	18.74%	-	282,541	15%	1,869	-
	0.75 to <2.50	3,472,612	369,309	56%	3,663,248	1.46%	100 000 to 500 000	22.98%	-	1,009,923	28%	12,152	-
	0.75 to <1.75	2,583,223	217,631	57%	2,692,465	1.23%	100 000 to 500 000	23.59%	-	703,101	26%	7,842	-
	1.75 to <2.5	889,389	151,678	55%	970,783	2.11%	100 000 to 500 000	21.26%	-	306,822	32%	4,310	-
	2.50 to <10.00	2,003,857	183,354	58%	2,069,807	4.54%	50 000 to 100 000	25.42%	-	928,295	45%	23,956	-
	2.5 to <5	1,287,474	141,369	59%	1,345,250	3.50%	50 000 to 100 000	26.29%	-	564,324	42%	12,586	-
	5 to <10	716,383	41,984	57%	724,557	6.46%	10 000 to 50 000	23.80%	-	363,970	50%	11,370	-
	10.00 to <100.00	616,099	29,455	60%	619,467	20.38%	10 000 to 50 000	22.77%	-	424,997	69%	29,037	-
	10 to <20	206,920	14,285	57%	208,168	13.19%	10 000 to 50 000	24.01%	-	112,364	54%	6,743	-
	20 to <30	347,808	9,895	58%	352,965	22.94%	10 000 to 50 000	20.17%	-	265,735	75%	16,221	-
	30.00 to <100.00	61,372	5,275	71%	58,334	30.62%	1 000 to 5 000	34.03%	-	46,899	80%	6,073	-
	100.00 (Default)	717,219	13,779	60%	696,544	100.00%	10 000 to 50 000	55.99%	-	257,110	37%	370,428	-
Sub-total (Retail customers)		46,690,615	2,441,822	57%	48,043,416	2.13%		20.57%		4,807,419	10%	446,125	-493,067

A-IRB As at 12.31.2024 In € thousands	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust-ments and provisions
Retail customers - of wich: secured by mortgages on immovable property													
	0.00 to <0.15	19,905,990	256,664	34%	19,998,266	0.05%	100 000 to 500 000	16.78%	-	549,909	3%	1,955	-
	0.00 to <0.10	16,238,170	217,184	36%	16,316,573	0.04%	100 000 to 500 000	16.81%	-	368,437	2%	1,170	-
	0.10 to <0.15	3,667,820	39,480	33%	3,681,693	0.13%	10 000 to 50 000	16.61%	-	181,472	5%	785	-
	0.15 to <0.25	105,761	1,007	29%	106,088	0.18%	1 000 to 5 000	15.83%	-	5,287	5%	30	-
	0.25 to <0.50	2,752,484	27,231	33%	2,762,116	0.29%	10 000 to 50 000	16.56%	-	249,960	9%	1,326	-
	0.50 to <0.75	976,713	10,416	33%	980,363	0.55%	5 000 to 10 000	16.15%	-	143,381	15%	865	-
	0.75 to <2.50	1,122,517	51,945	32%	1,141,041	1.55%	5 000 to 10 000	17.43%	-	329,137	29%	3,068	-
	0.75 to <1.75	815,093	10,251	32%	818,601	1.32%	5 000 to 10 000	17.27%	-	211,365	26%	1,860	-
	1.75 to <2.5	307,423	41,694	33%	322,440	2.11%	1 000 to 5 000	17.83%	-	117,772	37%	1,208	-
	2.50 to <10.00	697,429	7,712	40%	700,131	4.32%	5 000 to 10 000	17.75%	-	384,929	55%	5,370	-
	2.5 to <5	422,680	4,731	47%	424,368	3.20%	1 000 to 5 000	17.82%	-	201,167	47%	2,426	-
	5 to <10	274,749	2,981	32%	275,764	6.03%	1 000 to 5 000	17.64%	-	183,763	67%	2,944	-
	10.00 to <100.00	220,298	1,548	31%	220,823	20.41%	1 000 to 5 000	17.38%	-	215,782	98%	7,860	-
	10 to <20	53,730	443	31%	53,870	13.22%	100 to 500	17.51%	-	44,684	83%	1,252	-
	20 to <30	162,509	1,063	33%	162,885	22.51%	1 000 to 5 000	17.02%	-	164,810	101%	6,227	-
	30.00 to <100.00	4,058	42	28%	4,069	31.45%	0 to 100	30.16%	-	6,288	155%	381	-
	100.00 (Default)	245,586	1,239	31%	246,026	100.00%	1 000 to 5 000	55.70%	-	80,094	33%	130,936	-
Sub-total (Retail customers - of wich: secured by mortgages on immovable property)		26,026,778	357,763	34%	26,154,853	1.39%		17.15%		1,958,480	7%	151,410	-154,679
Retail customers - of wich: secured by mortgages on immovable property - SMEs													
	0.00 to <0.15	1,171,280	11,189	36%	1,174,940	0.12%	5 000 to 10 000	16.26%	-	45,549	4%	238	-
	0.00 to <0.10	-	-	-	-	-	-	-	-	-	-	-	-
	0.10 to <0.15	1,171,280	11,189	36%	1,174,940	0.12%	5 000 to 10 000	16.26%	-	45,549	4%	238	-
	0.15 to <0.25	105,617	1,007	0%	105,944	0.18%	1 000 to 5 000	15.82%	-	5,273	5%	30	-
	0.25 to <0.50	566,282	5,694	36%	568,139	0.40%	1 000 to 5 000	17.47%	-	55,716	10%	395	-
	0.50 to <0.75	80,734	1,759	0%	81,259	0.50%	500 to 1 000	16.51%	-	8,903	11%	67	-
	0.75 to <2.50	475,074	5,930	36%	476,987	1.36%	1 000 to 5 000	17.64%	-	106,229	22%	1,136	-
	0.75 to <1.75	356,363	4,384	0%	357,752	1.07%	1 000 to 5 000	18.00%	-	71,428	20%	698	-
	1.75 to <2.5	118,711	1,547	36%	119,235	2.22%	500 to 1 000	16.54%	-	34,801	29%	438	-
	2.50 to <10.00	156,814	2,267	36%	157,550	5.23%	1 000 to 5 000	19.47%	-	85,064	54%	1,572	-
	2.5 to <5	92,311	1,420	36%	92,803	4.01%	500 to 1 000	20.30%	-	46,144	50%	743	-
	5 to <10	64,503	847	0%	64,747	6.97%	500 to 1 000	18.27%	-	38,921	60%	829	-
	10.00 to <100.00	83,012	585	0%	83,189	20.65%	500 to 1 000	17.68%	-	67,955	82%	3,060	-
	10 to <20	34,287	416	0%	34,417	12.60%	100 to 500	17.76%	-	25,612	74%	776	-
	20 to <30	45,481	128	0%	45,519	26.03%	100 to 500	16.51%	-	37,007	81%	1,955	-
	30.00 to <100.00	3,244	42	0%	3,254	30.53%	0 to 100	33.14%	-	5,336	164%	329	-
	100.00 (Default)	106,259	140	0%	106,302	100.00%	500 to 1 000	55.86%	-	27,402	26%	57,297	-
Sub-total (Retail customers - of wich: secured by mortgages on immovable property - SMEs)		2,745,073	28,572	36%	2,754,311	5.17%		18.49%		402,091	15%	63,796	-66,412
Retail customers - of wich: secured by mortgages on immovable property - Non-SMEs													
	0.00 to <0.15	18,734,710	245,475	34%	18,823,326	0.05%	100 000 to 500 000	16.81%	-	504,360	3%	1,717	-
	0.00 to <0.10	16,238,170	217,184	36%	16,316,573	0.04%	100 000 to 500 000	16.81%	-	368,437	2%	1,170	-
	0.10 to <0.15	2,496,540	28,291	33%	2,506,753	0.13%	10 000 to 50 000	16.78%	-	135,923	5%	547	-
	0.15 to <0.25	144	-	29%	144	0.17%	0 to 100	24.10%	-	14	10%	0	-
	0.25 to <0.50	2,186,202	21,536	33%	2,193,977	0.26%	10 000 to 50 000	16.33%	-	194,243	9%	932	-
	0.50 to <0.75	895,978	8,658	33%	899,104	0.55%	5 000 to 10 000	16.12%	-	134,478	15%	797	-
	0.75 to <2.50	647,442	46,015	32%	664,054	1.68%	5 000 to 10 000	17.28%	-	222,908	34%	1,932	-
	0.75 to <1.75	458,730	5,867	32%	460,849	1.51%	1 000 to 5 000	16.71%	-	139,937	30%	1,162	-
	1.75 to <2.5	188,712	40,147	33%	203,205	2.05%	1 000 to 5 000	18.58%	-	82,971	41%	770	-
	2.50 to <10.00	540,615	5,445	40%	542,581	4.05%	1 000 to 5 000	17.25%	-	299,865	55%	3,798	-
	2.5 to <5	330,370	3,311	49%	331,565	2.97%	1 000 to 5 000	17.13%	-	155,023	47%	1,683	-
	5 to <10	210,246	2,134	32%	211,016	5.74%	1 000 to 5 000	17.45%	-	144,842	69%	2,114	-
	10.00 to <100.00	137,286	963	31%	137,634	20.26%	1 000 to 5 000	17.20%	-	147,827	107%	4,800	-
	10 to <20	19,443	27	31%	19,453	14.32%	100 to 500	17.06%	-	19,072	98%	476	-
	20 to <30	117,028	936	33%	117,366	21.14%	1 000 to 5 000	17.22%	-	127,804	109%	4,272	-
	30.00 to <100.00	815	0	28%	815	35.12%	0 to 100	18.23%	-	951	117%	52	-
	100.00 (Default)	139,326	1,099	31%	139,723	100.00%	1 000 to 5 000	55.58%	-	52,693	38%	73,639	-
Sub-total (Retail customers - secured by mortgages on immovable property - Non-SMEs)		23,281,704	329,191	34%	23,400,542	0.94%		17.00%		1,556,389	7%	87,614	-88,268
Retail customers - revolving													
	0.00 to <0.15	22,181	63,679	15%	29,653	0.08%	10 000 to 50 000	32.60%	-	502	2%	7	-
	0.00 to <0.10	16,680	55,198	15%	23,125	0.06%	10 000 to 50 000	32.60%	-	324	1%	4	-
	0.10 to <0.15	5,501	8,482	15%	6,528	0.13%	1 000 to 5 000	32.60%	-	177	3%	3	-
	0.15 to <0.25	4,242	9,479	14%	5,383	0.17%	5 000 to 10 000	32.60%	-	182	3%	3	-
	0.25 to <0.50	16,327	18,754	15%	18,673	0.35%	10 000 to 50 000	32.60%	-	1,135	6%	21	-
	0.50 to <0.75	3,979	2,332	15%	4,280	0.55%	1 000 to 5 000	32.60%	-	374	9%	8	-
	0.75 to <2.50	16,357	10,976	15%	17,792	1.43%	10 000 to 50 000	32.60%	-	3,205	18%	83	-
	0.75 to <1.75	9,918	7,102	15%	10,833	1.12%	5 000 to 10 000	32.60%	-	1,633	15%	40	-
	1.75 to <2.5	6,438	3,875	15%	6,959	1.92%	5 000 to 10 000	32.60%	-	1,572	23%	43	-
	2.50 to <10.00	11,134	2,801	15%	11,512	4.40%	5 000 to 10 000	32.60%	-	4,580	40%	165	-
	2.5 to <5	6,415	1,970	15%	6,679	3.19%	1 000 to 5 000	32.60%	-	2,163	32%	69	-
	5 to <10	4,718	831	15%	4,833	6.08%	1 000 to 5 000	32.60%	-	2,417	50%	96	-
	10.00 to <100.00	2,508	318	15%	2,552	20.01%	1 000 to 5 000	32.60%	-	2,414	95%	166	-
	10 to <20	610	142	15%	630	15.85%	100 to 500	32.60%	-	541	86%	33	-
	20 to <30	1,867	167	15%	1,891	21.14%	1 000 to 5 000	32.60%	-	1,838	97%	130	-
	30.00 to <100.00	31	9	16%	32	35.12%	0 to 100	32.60%	-	35	111%	4	-
	100.00 (Default)	2,834	9	16%	2,836	100.00%	500 to 1 000	69.20%	-	1,346	47%	1,860	-
Sub-total (Retail customers - revolving		79,562	108,349	15%	92,681	4.56%		33.72%		13,738	15%	2,314	-2,910

A-IRB As at 12.31.2024 In € thousands	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust-ments and provisions
Retail customers - other													
	0.00 to <0.15	10,733,455	959,640	77%	11,434,573	0.07%	500 000 to 1 000 000	23.07%	-	506,558	4%	1,839	-
	0.00 to <0.10	7,495,097	733,555	81%	8,052,195	0.05%	500 000 to 1 000 000	23.57%	-	293,320	4%	893	-
	0.10 to <0.15	3,238,358	226,085	75%	3,382,378	0.13%	100 000 to 500 000	21.89%	-	213,238	6%	946	-
	0.15 to <0.25	800,109	132,743	81%	888,667	0.18%	50 000 to 100 000	21.25%	-	65,665	7%	334	-
	0.25 to <0.50	3,720,581	302,394	71%	3,894,971	0.32%	100 000 to 500 000	24.68%	-	525,356	13%	3,167	-
	0.50 to <0.75	839,004	61,585	73%	871,319	0.53%	10 000 to 50 000	21.59%	-	138,786	16%	997	-
	0.75 to <2.50	2,333,739	306,387	73%	2,504,415	1.43%	100 000 to 500 000	25.44%	-	677,581	27%	9,001	-
	0.75 to <1.75	1,758,212	200,278	74%	1,863,031	1.19%	100 000 to 500 000	26.31%	-	490,103	26%	5,942	-
	1.75 to <2.5	575,527	106,109	72%	641,384	2.11%	100 000 to 500 000	22.87%	-	187,478	29%	3,059	-
	2.50 to <10.00	1,295,294	172,841	75%	1,358,163	4.65%	50 000 to 100 000	29.31%	-	538,785	40%	18,421	-
	2.5 to <5	858,378	134,668	73%	914,203	3.64%	10 000 to 50 000	30.17%	-	360,995	39%	10,090	-
	5 to <10	436,916	38,172	78%	443,960	6.74%	10 000 to 50 000	27.53%	-	177,791	40%	8,330	-
	10.00 to <100.00	393,293	27,590	80%	396,091	20.37%	10 000 to 50 000	25.71%	-	206,802	52%	21,010	-
	10 to <20	152,579	13,700	76%	153,669	13.17%	10 000 to 50 000	26.26%	-	67,139	44%	5,458	-
	20 to <30	183,431	8,665	78%	188,189	23.33%	10 000 to 50 000	22.77%	-	99,087	53%	9,864	-
	30.00 to <100.00	57,283	5,224	91%	54,233	30.56%	1 000 to 5 000	34.32%	-	40,576	75%	5,688	-
	100.00 (Default)	468,799	12,531	75%	447,683	100.00%	10 000 to 50 000	56.07%	-	175,669	39%	237,632	-
Sub-total (Retail customers - other)		20,584,275	1,975,710	75%	21,795,883	3.00%		24.61%		2,835,201	13%	292,401	-335,477
Retail customers - other - SMEs													
	0.00 to <0.15	1,885,896	93,400	0%	1,931,325	0.13%	10 000 to 50 000	20.59%	-	98,846	5%	501	-
	0.00 to <0.10	-	-	-	-	-	-	-	-	-	-	-	-
	0.10 to <0.15	1,885,896	93,400	32%	1,931,325	0.13%	10 000 to 50 000	20.59%	-	98,846	5%	501	-
	0.15 to <0.25	651,825	91,556	0%	705,607	0.18%	5 000 to 10 000	17.77%	-	40,076	6%	226	-
	0.25 to <0.50	1,452,477	163,268	40%	1,506,011	0.39%	10 000 to 50 000	27.89%	-	217,580	14%	1,614	-
	0.50 to <0.75	408,568	46,190	0%	431,216	0.50%	1 000 to 5 000	20.23%	-	53,620	12%	442	-
	0.75 to <2.50	1,654,986	179,124	46%	1,714,098	1.37%	10 000 to 50 000	24.76%	-	401,024	23%	5,755	-
	0.75 to <1.75	1,310,089	135,001	49%	1,350,394	1.14%	10 000 to 50 000	26.22%	-	322,378	24%	4,192	-
	1.75 to <2.5	344,897	44,123	36%	363,704	2.22%	1 000 to 5 000	19.32%	-	78,646	22%	1,564	-
	2.50 to <10.00	860,942	118,376	85%	878,275	4.93%	10 000 to 50 000	31.18%	-	340,030	39%	13,201	-
	2.5 to <5	594,726	89,599	85%	613,206	3.90%	10 000 to 50 000	32.39%	-	240,948	39%	7,668	-
	5 to <10	266,216	28,777	0%	265,070	7.30%	5 000 to 10 000	28.37%	-	99,082	37%	5,533	-
	10.00 to <100.00	290,397	23,117	0%	289,957	20.47%	5 000 to 10 000	25.40%	-	137,063	47%	15,351	-
	10 to <20	134,513	13,051	0%	135,141	12.92%	1 000 to 5 000	26.01%	-	55,699	41%	4,670	-
	20 to <30	98,919	4,932	0%	100,941	25.22%	1 000 to 5 000	19.81%	-	41,103	41%	5,031	-
	30.00 to <100.00	56,965	5,134	0%	53,875	30.53%	1 000 to 5 000	34.35%	-	40,261	75%	5,650	-
	100.00 (Default)	365,847	11,015	0%	343,792	100.00%	5 000 to 10 000	56.27%	-	131,543	38%	183,431	-
Sub-total (Retail customers - other - SMEs)		7,570,939	726,045	47%	7,800,281	6.18%		25.58%		1,419,782	18%	220,521	-255,308
Retail customers - other - Non-SMEs													
	0.00 to <0.15	8,847,559	866,239	79%	9,503,248	0.06%	500 000 to 1 000 000	23.58%	-	407,712	4%	1,339	-
	0.00 to <0.10	7,495,097	733,555	81%	8,052,195	0.05%	500 000 to 1 000 000	23.57%	-	293,320	4%	893	-
	0.10 to <0.15	1,352,461	132,685	78%	1,451,053	0.13%	100 000 to 500 000	23.62%	-	114,392	8%	445	-
	0.15 to <0.25	148,284	41,186	81%	183,060	0.17%	50 000 to 100 000	34.67%	-	25,589	14%	108	-
	0.25 to <0.50	2,268,104	139,127	73%	2,388,960	0.28%	100 000 to 500 000	22.65%	-	307,775	13%	1,553	-
	0.50 to <0.75	430,436	15,396	73%	440,103	0.55%	10 000 to 50 000	22.93%	-	85,166	19%	555	-
	0.75 to <2.50	678,753	127,264	76%	790,318	1.55%	100 000 to 500 000	26.90%	-	276,557	35%	3,246	-
	0.75 to <1.75	448,123	65,277	79%	512,637	1.32%	100 000 to 500 000	26.56%	-	167,726	33%	1,751	-
	1.75 to <2.5	230,630	61,986	73%	277,680	1.97%	50 000 to 100 000	27.52%	-	108,832	39%	1,495	-
	2.50 to <10.00	434,352	54,464	75%	479,888	4.15%	50 000 to 100 000	25.89%	-	198,755	41%	5,219	-
	2.5 to <5	263,652	45,069	73%	300,998	3.11%	10 000 to 50 000	25.66%	-	120,047	40%	2,422	-
	5 to <10	170,700	9,395	78%	178,890	5.90%	10 000 to 50 000	26.28%	-	78,708	44%	2,797	-
	10.00 to <100.00	102,896	4,473	80%	106,134	20.11%	10 000 to 50 000	26.54%	-	69,739	66%	5,659	-
	10 to <20	18,066	649	76%	18,528	14.97%	10 000 to 50 000	28.06%	-	11,440	62%	788	-
	20 to <30	84,512	3,733	78%	87,248	21.14%	10 000 to 50 000	26.20%	-	57,984	66%	4,833	-
	30.00 to <100.00	318	91	91%	358	35.12%	0 to 100	30.01%	-	315	88%	38	-
	100.00 (Default)	102,952	1,516	75%	103,891	100.00%	10 000 to 50 000	55.41%	-	44,126	42%	54,201	-
Sub-total (Retail customers - other - Non-SMEs)		13,013,336	1,249,665	77%	13,995,602	1.23%		24.07%		1,415,419	10%	71,880	-80,169
Total		61,778,837	7,811,003	63%	65,286,477	2.91%		22.13%	2.50	13,645,421	21%	788,884	-992,270

Internal foundation method

F-IRB As at 12.31.2024 In € thousands	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust-ments and provisions
Credit institution													
	0.00 to <0.15	7,661,134	81,267	51%	7,691,668	0.03%	100 to 500	29%	2.5	885,853	12%	741	-
	0.00 to <0.10	7,251,929	81,059	53%	7,282,404	0.03%	100 to 500	28%	2.5	749,837	10%	590	-
	0.10 to <0.15	409,205	208	48%	409,263	0.10%	0 to 100	36%	2.5	136,016	33%	150	-
	0.15 to <0.25	141,508	3,500	75%	144,133	0.22%	0 to 100	37%	2.5	81,048	56%	118	-
	0.25 to <0.50	604	-	0%	604	0.42%	0 to 100	45%	2.5	563	93%	1	-
	0.50 to <0.75	20,852	-	0	20,852	0	-	0	2.5	24,371	1	68	-
	0.75 to <2.50	209	-	0%	209	0.98%	0 to 100	45%	2.5	-	0%	1	-
	0.75 to <1.75	209	-	0%	209	0.98%	0 to 100	45%	2.5	-	0%	1	-
	1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-
	2.50 to <10.00	40	-	0%	40	2.67%	0 to 100	45%	2.5	0	0%	0	-
	2.5 to <5	40	-	0%	40	2.67%	0 to 100	45%	2.5	0	0%	0	-
	5 to <10	-	-	-	-	-	-	-	-	-	-	-	-
	10.00 to <100.00	16,668	-	0	16,668	0	-	0	2.5	12,509	1	388	-
	10 to <20	-	-	-	-	-	-	-	-	-	-	-	-
	20 to <30	16,668	-	0	16,668	0	-	0	2.5	12,509	1	388	-
	30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	-
	100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total (Credit institution)		7,841,014	84,767	54%	7,874,173	0.08%		29%	2.5	1,004,344	13%	1,318	-1,444
Corporates													
	0.00 to <0.15	1,607,406	716,326	54%	2,019,901	0.10%	100 to 500	45%	2.5	637,394	32%	868	-
	0.00 to <0.10	426,429	208,485	48%	559,140	0.06%	0 to 100	45%	2.5	131,694	24%	145	-
	0.10 to <0.15	1,180,977	507,841	59%	1,460,761	0.11%	100 to 500	45%	2.5	505,700	35%	723	-
	0.15 to <0.25	823,559	556,985	63%	1,134,628	0.20%	100 to 500	45%	2.5	550,094	48%	1,021	-
	0.25 to <0.50	1,413,759	813,400	65%	1,911,849	0.33%	100 to 500	45%	2.5	1,202,449	63%	2,842	-
	0.50 to <0.75	1,575,298	1,145,129	62%	2,229,289	0.73%	500 to 1000	45%	2.5	2,016,541	90%	7,324	-
	0.75 to <2.50	740,065	543,560	69%	1,034,297	1.40%	100 to 500	45%	2.5	1,182,139	114%	6,524	-
	0.75 to <1.75	740,065	543,560	69%	1,034,297	1.40%	100 to 500	45%	2.5	1,182,139	114%	6,524	-
	1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-
	2.50 to <10.00	581,427	264,018	70%	732,208	3.91%	100 to 500	45%	2.5	1,124,425	154%	12,906	-
	2.5 to <5	581,427	264,018	70%	732,208	3.91%	100 to 500	45%	2.5	1,124,425	154%	12,906	-
	5 to <10	-	-	-	-	-	-	-	-	-	-	-	-
	10.00 to <100.00	83,206	27,263	75%	103,653	10.13%	0 to 100	45%	2.5	222,149	214%	4,726	-
	10 to <20	83,206	27,263	75%	103,653	10.13%	0 to 100	45%	2.5	222,149	214%	4,726	-
	20 to <30	-	-	-	-	-	-	-	-	-	-	-	-
	30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	-
	100.00 (Default)	141,741	7,186	69%	131,843	100.00%	0 to 100	45%	2.5	0	0%	58,466	-
Sub-total (Corporates)		6,966,461	4,073,867	64%	9,297,668	2.28%		45%	2.5	6,935,191	75%	94,676	-87,364
Corporates - of which: non-SMEs													
	0.00 to <0.15	1,607,406	716,326	59%	2,019,901	0.10%	100 to 500	45%	2.5	637,394	32%	868	-
	0.00 to <0.10	426,429	208,485	48%	559,140	0.06%	0 to 100	45%	2.5	131,694	24%	145	-
	0.10 to <0.15	1,180,977	507,841	69%	1,460,761	0.11%	100 to 500	45%	2.5	505,700	35%	723	-
	0.15 to <0.25	823,559	556,985	70%	1,134,628	0.20%	100 to 500	45%	2.5	550,094	48%	1,021	-
	0.25 to <0.50	1,413,759	813,400	68%	1,911,849	0.33%	100 to 500	45%	2.5	1,202,449	63%	2,842	-
	0.50 to <0.75	1,575,298	1,145,129	64%	2,229,289	0.73%	500 to 1000	45%	2.5	2,016,541	90%	7,324	-
	0.75 to <2.50	740,065	543,560	70%	1,034,297	1.40%	100 to 500	45%	2.5	1,182,139	114%	6,524	-
	0.75 to <1.75	740,065	543,560	70%	1,034,297	1.40%	100 to 500	45%	2.5	1,182,139	114%	6,524	-
	1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-
	2.50 to <10.00	581,427	264,018	72%	732,208	3.91%	100 to 500	45%	2.5	1,124,425	154%	12,906	-
	2.5 to <5	581,427	264,018	72%	732,208	3.91%	100 to 500	45%	2.5	1,124,425	154%	12,906	-
	5 to <10	-	-	-	-	-	-	-	-	-	-	-	-
	10.00 to <100.00	83,206	27,263	75%	103,653	10.13%	0 to 100	45%	2.5	222,149	214%	4,726	-
	10 to <20	83,206	27,263	75%	103,653	10.13%	0 to 100	45%	2.5	222,149	214%	4,726	-
	20 to <30	-	-	-	-	-	-	-	-	-	-	-	-
	30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	-
	100.00 (Default)	141,741	7,186	69%	131,843	100.00%	0 to 100	45%	2.5	-	0%	58,466	-
Sub-total (Corporates - of which: non-SMEs)		6,966,461	4,073,867	67%	9,297,668	2.28%		45%	2.5	6,935,191	75%	94,676	-87,364
Total		**14,807,475**	**4,158,634**	**60%**	**17,171,841**	**1.27%**		**38%**	**2.5**	**7,939,536**	**46%**	**95,994**	**-88,807**

Table 27 (EU CR6-A): Scope of the use of IRB and SA approaches

As at 12.31.2024 In € thousands	Exposure value as defined in Article 166 CRR for exposrues subject to IRB approach	Total exposure value for exposures subject to the Standardised approach and to the IRB approach	Percentage of total exposure value subject to the permanent partial use of the SA (%)	Percentage of total exposure value subject to IRB Approach (%)	Percentage of total exposurevalue subject to a roll-out plan (%)
Central governments or central banks	-	37,443,216	100%	0%	-
Of which Regional governments or local authorities		7,487,470	100%	0%	-
Of which Public sector entities		15,090,036	100%	0%	-
Institutions	7,874,173	8,121,356	3%	97%	-
Corporates	28,140,638	28,368,863	1%	99%	-
Of which Corporates - Specialised lending, excluding slotting approach		-	0%	0%	-
Of which Corporates - Specialised lending under slotting approach		1,160,747	0%	100%	-
Retail	48,161,967	59,428,412	19%	81%	-
of which Retail – Secured by real estate SMEs		3,034,848	9%	91%	-
of which Retail – Secured by real estate non-SMEs		29,797,107	21%	79%	-
of which Retail – Qualifying revolving		92,681	0%	100%	-
of which Retail – Other SMEs		8,417,001	6%	94%	-
of which Retail – Other non-SMEs		18,086,776	23%	77%	-
Equity	5,024,834	5,040,212	0%	100%	-
Other non-credit obligation assets	-	1,156,434	100%	0%	-
Total	**89,201,612**	**139,558,492**	**36%**	**64%**	**-**

Back-testing

The quality of the internal rating system is monitored based on procedures that detail the topics reviewed, the warning thresholds and the responsibilities of the participants. These documents are updated by the CNCM Risk Department if necessary as decisions are ratified.

Reporting on the monitoring of mass rating models involves three main areas of study: stability, performance and additional analyses. This reporting is carried out for each mass rating model on a quarterly basis and supplemented with half-yearly and annual controls and monitoring work, for which the levels of detail are higher (all of the elements making up each of the models are analyzed).

As regards the expert grids, the system includes a complete annual review based on performance tests (analysis of rating concentrations, transition matrices and consistency with the external rating system).

Default probabilities are monitored annually before any new estimates of the regulatory parameter. Depending on the portfolios, this is supplemented with interim monitoring on a half-yearly basis. This mainly consists of ensuring that the default rate by risk class remains within the confidence interval around the PD.

The arrangements for monitoring loss given default (LGD) and the conversion factors (CCF) for off-balance sheet commitments are implemented annually. Their main objective is to validate the values taken by these parameters for each segment. In the case of LGD, this validation is carried out mainly by checking the robustness of the methods for calculating the prudential margins and by comparing the LGD estimators with the most recent data and actual figures. As regards the CCF, it is validated by reconciling the estimators with the most recent CCFs observed.

As the monitoring of parameters is subject to a national procedure, the quantitative elements relating to the back-testing of parameters and to changes in risk-weighted assets in the context of the internal ratings-based approach are presented in the national Pillar 3 report.

Consequently, the following tables are not displayed in the Crédit Mutuel Arkéa group's Pillar 3 report:

- EU CR9: IRB approach – Back-testing of PD per exposure class (fixed PD scale);
- EU CR9.1: IRB approach – Back-testing of PD per exposure class (only for PD estimates according to point (f) of Article 180(1) CRR).

Permanent and periodic control

The permanent control plan of the Crédit Mutuel Arkéa group’s Basel regulatory framework comprises two levels:

- at CNCM level, the model validation function validates new models and significant adjustments made to existing models on the one hand, and carries out permanent monitoring of the internal rating system (particularly the parameters used to calculate regulatory capital requirements), on the other;
- at the Crédit Mutuel Arkéa group level, permanent control verifies the overall adoption of the internal rating system, the operational aspects related to the production and calculation of the ratings, the credit risk management procedures directly related to the internal rating system, and the quality of the data.

In terms of periodic control, the Crédit Mutuel Arkéa group’s Internal Audit and Periodic Control Department operates according to a CNCM framework procedure that defines the types of assignments to be carried out on an ongoing basis on the Basel III credit risk framework as well as the division of responsibilities between the regional and national audit units.

Additional quantitative information

Table 28 (EU CR8): RWEA flow statements of credit risk exposures under the IRB approach

In € thousands	Risk weighted exposure amount
Risk weighted exposure amount as at 09.30.2024	**21,799,560**
Asset size (+/-)	284,349
Asset quality (+/-)	190,032
Model updates (+/-)	-
Methodology and policy (+/-)	-
Acquisitions and disposals (+/-)	-
Foreign exchange movements (+/-)	-
Other (+/-)	-
Risk weighted exposure amount as at 12.31.2024	**22,273,941**

The risk-weighted assets (RWAs) of specialized financing exposures are obtained using the slotting criteria method.

The risk-weighted assets (RWAs) of equity exposures are obtained using the simple risk-weighted approach, which involves applying specific risk weightings to the carrying amounts of the exposures.

The Crédit Mutuel Arkéa group has no exposure to specialized lending such as commodities finance. Consequently, the following table is not displayed in the Group's Pillar 3 report:

- EU CR10.4: Specialised lending - Commodities finance (Slotting approach).

Table 29 (EU CR10.1): Specialised lending - Project finance (Slotting approach)

As at 12.31.2024 In € thousands Regulatory categories	Remaining maturity	On-balancesheet exposure	Off-balancesheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Category 1	Less than 2.5 years	24,805	34,315	50%	50,542	25,258	-
	Equal to or more than 2.5 years	674,276	108,017	70%	755,289	461,704	3,021
Category 2	Less than 2.5 years	283	-	70%	283	207	1
	Equal to or more than 2.5 years	8,244	502	90%	8,620	8,084	69
Category 3	Less than 2.5 years	-	-	115%	-	-	-
	Equal to or more than 2.5 years	-	-	115%	-	-	-
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	-	-	250%	-	-	-
Category 5	Less than 2.5 years	-	-	-	-	-	-
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total	**Less than 2.5 years**	**25,089**	**34,315**		**50,825**	**25,464**	**1**
	Equal to or more than 2.5 years	**682,520**	**108,519**		**763,909**	**469,788**	**3,090**

Table 33 (EU CR10.2): Specialised lending - Income-producing real estate and high volatility commercial real estate (Slotting approach)

As at 12.31.2024 In € thousands Regulatory categories	Remaining maturity	On-balancesheet exposure	Off-balancesheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Category 1	Less than 2.5 years	92,596	11,073	50%	100,901	52,569	-
	Equal to or more than 2.5 years	149,280	67,979	70%	200,264	146,073	801
Category 2	Less than 2.5 years	19,321	-	70%	19,321	14,092	77
	Equal to or more than 2.5 years	-	-	90%	-	-	-
Category 3	Less than 2.5 years	-	-	115%	-	-	-
	Equal to or more than 2.5 years	-	-	115%	-	-	-
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	-	-	250%	-	-	-
Category 5	Less than 2.5 years	-	-	-	-	-	-
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total	**Less than 2.5 years**	**111,917**	**11,073**		**120,221**	**66,662**	**77**
	Equal to or more than 2.5 years	**149,280**	**67,979**		**200,264**	**146,073**	**801**

Table 31 (EU CR10.3): Specialised lending - Object finance (Slotting approach)

As at 12.31.2024 In € thousands Regulatory categories	Remaining maturity	On-balancesheet exposure	Off-balancesheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Category 1	Less than 2.5 years	-	-	50%	-	-	-
	Equal to or more than 2.5 years	25,527	-	70%	25,527	18,619	102
Category 2	Less than 2.5 years	-	-	70%	-	-	-
	Equal to or more than 2.5 years	-	-	90%	-	-	-
Category 3	Less than 2.5 years	-	-	115%	-	-	-
	Equal to or more than 2.5 years	-	-	115%	-	-	-
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	-	-	250%	-	-	-
Category 5	Less than 2.5 years	-	-	-	-	-	-
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total	**Less than 2.5 years**	**-**	**-**		**-**	**-**	**-**
	Equal to or more than 2.5 years	**25,527**	**-**		**25,527**	**18,619**	**102**

Table 32 (EU CR10.5): Equity exposures under the simple risk-weighted approach

As at 12.31.2024 Categories In € thousands	On-balancesheet exposure	Off-balancesheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Private equity exposures	825,368	-	190%	825,368	1,568,199	6,603
Exchange-traded equity exposures	164,480	-	290%	164,480	476,993	1,316
Other equity exposures	2,936,861	-	370%	2,936,861	10,866,385	70,485
Total	**3,926,709**	**-**		**3,926,709**	**12,911,577**	**78,403**

7. Counterparty credit risk

Counterparty credit risk corresponds to the risk incurred on:

- derivative instruments in the banking book and the trading book;
- repo transactions in the banking book.

For the Crédit Mutuel Arkéa group, counterparty credit risk is a small component of overall credit risk.

The exposure value for counterparty credit risk for derivatives is calculated in accordance with Chapter 6 of the CRR, using the SA-CCR method. There are no specific provisions concerning the manner in which capital requirements are then determined: the weighting applied to the exposure at default (EAD) depends on the segmentation applicable to the instrument (in particular, in the internal ratings-based approach (IRBA), to determine the relevant probability of default and loss given default).

Risk mitigation techniques for repo transactions are taken into account in accordance with Chapter 4 of the CRR and are presented below in the section entitled “Credit risk mitigation techniques”. It presents the main categories of collateral taken into account by the institution.

It should be noted that if its credit rating is downgraded by three notches, the impact on the amount of collateral provided by the Group would not be significant, being limited to 1.5%.

The Crédit Mutuel Arkéa group has no exposure to credit derivatives and does not apply the IMM approach for counterparty credit risk. Consequently, the following tables are not displayed in the Group's Pillar 3 report:

- EU CCR6: Credit derivatives exposures;
- EU CCR7: RWEA flow statements of CCR exposures under the IMM.

Table 33 (EU CCR1): Analysis of CCR exposure by approach

As at 12.31.2024 In € thousands	Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU - Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
EU - Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
SA-CCR (for derivatives)	210,009	402,285		1.4	857,212	857,212	876,898	242,835
IMM (for derivatives and SFTs)			-	-	-	-	-	-
Of which securities financing transactions netting sets			-		-	-	-	-
Of which derivatives and long settlement transactions netting sets			-		-	-	-	-
Of which from contractual cross-product netting sets			-		-	-	-	-
Financial collateral simple method (for SFTs)					-	-	-	-
Financial collateral comprehensive method (for SFTs)					4,842,484	4,842,484	4,842,484	211,442
VaR for SFTs					-	-	-	-
Total					**5,699,695**	**5,699,695**	**5,719,381**	**454,277**

Table 34 (EU CCR2): Transactions subject to own funds requirements for CVA risk

As at 12.31.2024 In € thousands	Exposure value	RWEA
Total transactions subject to the Advanced method	-	-
(i) VaR component (including the 3× multiplier)		-
(ii) stressed VaR component (including the 3× multiplier)		-
Transactions subject to the Standardised method	101,171	65,612
Transactions subject to the Alternative approach (Based on the Original Exposure Method)	-	-
Total transactions subject to own funds requirements for CVA risk	**101,171**	**65,612**

Table 35 (EU CCR3): Standardised approach - CCR exposures by regulatory exposure class and risk weights

As at 12.31.2024 In € thousands	Risk weight											Total exposure value
Exposure classes	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	
Central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-
Regional government or local authorities	192,908	-	-	-	-	-	-	-	-	-	-	192,908
Public sector entities	40,213	-	-	-	892	-	-	-	-	-	-	41,105
Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	-	314,108	-	-	-	-	-	-	-	-	-	314,108
Corporates	-	-	-	-	-	-	-	-	-	-	-	-
Retail	-	-	-	-	-	-	-	-	-	-	-	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-	-	-	7,567	-	7,567
Total exposure value	**233,121**	**314,108**	**-**	**-**	**892**	**-**	**-**	**-**	**-**	**7,567**	**-**	**555,689**

Table 36 (EU CCR4): IRB approach - CCR exposures by exposure class and PD scale

Advanced internal method

A-IRB In € thousands As at 12.31.2024	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amounts
Corporates								
	0.00 to <0.15	-	-	-	-	-	-	-
	0.15 to <0.25	7,222	0.24%	0 to 100	45%	2.5	3,500	-
	0.25 to <0.50	15,256	0.42%	0 to 100	45%	2.5	9,442	-
	0.50 to <0.75	2,364	0.67%	0 to 100	45%	2.5	1,538	-
	0.75 to <2.50	51,965	1.54%	100 to 500	45%	2.5	50,464	-
	2.50 to <10.00	42,428	3.44%	100 to 500	45%	2.5	50,653	-
	10.00 to <100.00	2,782	21.83%	0 to 100	45%	2.5	5,978	-
	100.00 (Default)	699	100.00%	0 to 100	75%	2.5	-	-
Sub-total (Corporates)		**122,715**	**2.99%**		**45%**	**2.5**	**121,575**	**99%**
Corporates - of which: SMEs								
	0.00 to <0.15	-	-	-	-	-	-	-
	0.15 to <0.25	1,992	0.24%	0 to 100	45%	2.5	762	-
	0.25 to <0.50	5,844	0.40%	0 to 100	45%	2.5	2,819	-
	0.50 to <0.75	1,912	0.67%	0 to 100	45%	2.5	1,148	-
	0.75 to <2.50	27,677	1.38%	0 to 100	45%	2.5	21,566	-
	2.50 to <10.00	24,100	3.12%	0 to 100	45%	2.5	23,216	-
	10.00 to <100.00	206	21.11%	0 to 100	45%	2.5	402	-
	100.00 (Default)	699	100.00%	0 to 100	75%	2.5	-	-
Sub-total (Corporates - of which: SMEs)		**62,429**	**3.07%**		**45%**	**2.5**	**49,913**	**80%**
Corporates - of which: non-SMEs								
	0.00 to <0.15	-	-	-	-	-	-	-
	0.15 to <0.25	5,230	0.24%	0 to 100	45%	2.5	2,738	-
	0.25 to <0.50	9,413	0.43%	0 to 100	45%	2.5	6,623	-
	0.50 to <0.75	452	0.67%	0 to 100	45%	2.5	390	-
	0.75 to <2.50	24,288	1.72%	0 to 100	45%	2.5	28,898	-
	2.50 to <10.00	18,327	3.86%	0 to 100	45%	2.5	27,437	-
	10.00 to <100.00	2,577	21.89%	0 to 100	45%	2.5	5,575	-
	100.00 (Default)	0	100.00%	0 to 100	75%	2.5	-	-
Sub-total (Corporates - of which: non-SMEs)		**60,287**	**2.90%**		**45%**	**2.5**	**71,661**	**119%**
Retail customers								
	0.00 to <0.15	4	0.06%	0 to 100	45%	-	-	-
	0.15 to <0.25	-	-	-	-	-	-	-
	0.25 to <0.50	11	0.41%	0 to 100	45%	-	3	-
	0.50 to <0.75	-	-	-	-	-	-	-
	0.75 to <2.50	1,265	1.50%	0 to 100	45%	-	573	-
	2.50 to <10.00	10	5.94%	0 to 100	45%	-	7	-
	10.00 to <100.00	-	-	-	-	-	-	-
	100.00 (Default)	-	-	-	-	-	-	-
Sub-total (Retail customers)		**1,290**	**1.52%**		**45%**		**583**	**45%**
Retail customers - other								
	0.00 to <0.15	4	0.06%	0 to 100	45%	- -		-
	0.15 to <0.25	-	-	-	-	-	-	-
	0.25 to <0.50	11	0.41%	0 to 100	45%	-	3	-
	0.50 to <0.75	-	-	-	-	-	-	-
	0.75 to <2.50	1,265	1.50%	0 to 100	45%	-	573	-
	2.50 to <10.00	10	5.94%	0 to 100	45%	-	7	-
	10.00 to <100.00	-	-	-	-	-	-	-
	100.00 (Default)	-	-	-	-	-	-	-
Sub-total (Retail customers - other)		**1,290**	**1.52%**		**45%**		**583**	**45%**

A-IRB In € thousands As at 12.31.2024	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amounts
Retail customers - other - SMEs								
	0.00 to <0.15	-	-	-	-	-	-	-
	0.15 to <0.25	-	-	-	-	-	-	-
	0.25 to <0.50	11	0.41%	0 to 100	45%	-	3	-
	0.50 to <0.75	-	-	-	-	-	-	-
	0.75 to <2.50	1,263	1.50%	0 to 100	45%	-	572	-
	2.50 to <10.00	5	4.72%	0 to 100	45%	-	3	-
	10.00 to <100.00	-	-	-	-	-	-	-
	100.00 (Default)	-	-	-	-	-	-	-
Sub-total (Retail customers - other - SMEs)		**1,279**	**1.50%**		**45%**		**577**	**45%**
Retail customers - other - Non-SMEs								
	0.00 to <0.15	4	0	0 to 100	-	-	0	-
	0.15 to <0.25	-	-	-	-	-	-	-
	0.25 to <0.50	-	-	-	-	-	-	-
	0.50 to <0.75	-	-	-	-	-	-	-
	0.75 to <2.50	2	1.88%	0 to 100	45%	-	1	-
	2.50 to <10.00	5	7.04%	0 to 100	45%	-	4	-
	10.00 to <100.00	-	-	-	-	-	-	-
	100.00 (Default)	-	-	-	-	-	-	-
Sub-total (Retail customers - other - Non-SMEs)		**11**	**3.89%**		**45%**		**6**	**52%**
Total		**124,005**	**2.97%**		**45%**	**2.5**	**122,157**	**99%**

Internal foundation method

F-IRB In € thousands As at 12.31.2024	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amounts
Credit institution								
	0.00 to <0.15	4,620,787	0.09%	0 to 100	45%	2.5	193,787	-
	0.15 to <0.25	314,724	0.22%	0 to 100	45%	2.5	59,878	-
	0.25 to <0.50	-	-	-	-	-	-	-
	0.50 to <0.75	-	-	-	-	-	-	-
	0.75 to <2.50	-	-	-	-	-	-	-
	2.50 to <10.00	-	-	-	-	-	-	-
	10.00 to <100.00	-	-	-	-	-	-	-
	100.00 (Default)	-	-	-	-	-	-	-
Sub-total (Credit institution)		**4,935,511**	**0.10%**		**45%**	**2.5**	**253,664**	**5%**
Corporates								
	0.00 to <0.15	14,431	0.10%	0 to 100	45%	2.5	4,830	-
	0.15 to <0.25	4,377	0.20%	0 to 100	45%	2.5	2,122	-
	0.25 to <0.50	31,066	0.33%	0 to 100	45%	2.5	18,471	-
	0.50 to <0.75	22,471	0.73%	0 to 100	45%	2.5	20,314	-
	0.75 to <2.50	7,266	1.40%	0 to 100	45%	2.5	8,295	-
	2.50 to <10.00	4,190	3.91%	0 to 100	45%	2.5	5,138	-
	10.00 to <100.00	688	10.13%	0 to 100	45%	2.5	1,474	-
	100.00 (Default)	-	-	-	-	-	-	-
Sub-total (Corporates)		**84,490**	**0.74%**		**45%**	**2.5**	**60,644**	**72%**
Corporates - of which: non-SMEs								
	0,00 à <0,15	14,431	0.10%	0 to 100	45%	2.5	4,830	-
	0,15 à <0,25	4,377	0.20%	0 to 100	45%	2.5	2,122	-
	0,25 à <0,50	31,066	0.33%	0 to 100	45%	2.5	18,471	-
	0,50 à <0,75	22,471	0.73%	0 to 100	45%	2.5	20,314	-
	0,75 à <2,50	7,266	1.40%	0 to 100	45%	2.5	8,295	-
	2,50 à <10,00	4,190	3.91%	0 to 100	45%	2.5	5,138	-
	10,00 à <100,00	688	10.13%	0 to 100	45%	2.5	1,474	-
	100,00 (défaut)	-	-	-	-	-	-	-
Sub-total (Corporates - of which: non-SMEs)		**84,490**	**0.74%**		**45%**	**2.5**	**60,644**	**72%**
Total		**5,020,001**	**0.11%**		**45%**	**2.5**	**314,309**	**6%**

Table 37 (EU CCR8): Exposures to CCPs

As at 12.31.2024 In € thousands	Exposure value	RWEA
Exposures to QCCPs (total)		**6,282**
Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	314,108	6,282
(i) OTC derivatives	314,108	6,282
(ii) Exchange-traded derivatives	-	-
(iii) SFTs	-	-
(iv) Netting sets where cross-product netting has been approved	-	-
Segregated initial margin	-	
Non-segregated initial margin	-	-
Prefunded default fund contributions	-	-
Unfunded default fund contributions	-	-
Exposures to non-QCCPs (total)		**-**
Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
(i) OTC derivatives	-	-
(ii) Exchange-traded derivatives	-	-
(iii) SFTs	-	-
(iv) Netting sets where cross-product netting has been approved	-	-
Segregated initial margin	-	
Non-segregated initial margin	-	-
Prefunded default fund contributions	-	-
Unfunded default fund contributions	-	-

8. Credit risk mitigation techniques

Financial, personal and real collateral can be used directly to reduce the calculation of credit risk-related capital requirements that help to determine the calculation of the Group's solvency ratio. The use of collateral in risk mitigation techniques is, however, subject to compliance with eligibility conditions and minimum requirements imposed by regulations.

Netting and collateralization of repurchase agreements and over-the-counter derivatives

When a master agreement is entered into with a counterparty, the signatory entity applies netting to the exposure on the counterparty.

With financial counterparties, the Crédit Mutuel Arkéa group supplements these agreements with collateralization contracts (credit support annexes). The operational management of these agreements takes place through the TriOptima platform.

Through regular margin calls, the residual net credit risk from over-the-counter derivatives and repurchase agreements is greatly reduced.

Description of the main categories of collateral taken into account by the institution

Collateral is used in the calculation of weighted risks in different ways depending on the type of borrower, the calculation method used for the hedged exposure and the type of collateral.

For agreements involving mass-market customers (i.e. the "retail" portfolio and, in part, the "corporate" portfolio) that are handled using the advanced internal ratings-based approach (IRBA), collateral is taken into account in the calculation and segmentation of the loss given default (LGD) calculated statistically for all of the Group's non-performing loans and loans in litigation.

For agreements pertaining to the "institutions" portfolio and, in part, the "corporate" portfolio, personal collateral and financial collateral are used as risk mitigation techniques as defined by the regulations:

- personal collateral corresponds to the undertaking made by a third party to replace the primary debtor in the event of default by the latter;
- financial collateral is defined as a right of the institution to liquidate, retain or obtain the transfer or ownership of certain amounts or assets such as pledged cash deposits, debt securities, shares or convertible bonds, gold, UCITS shares, life insurance policies and instruments of any kind issued by a third party and repayable on demand.

Procedures applied for the measurement and management of instruments that constitute real collateral

The procedures for measuring collateral vary according to the nature of the instrument that constitutes the real collateral. Generally, the studies carried out are based on statistical estimate methodologies that are directly integrated into the tools and based on external indexes to which discounts can be applied depending on the type of asset used as collateral. In the case of real estate collateral, the initial measurement is usually calculated based on the acquisition or construction value of the asset.

During the lifetime of the collateral, it is revalued periodically according to internal rules.

Main categories of protection providers

Apart from intra-group collateral, the main categories of protection providers taken into account are home loan collateral companies.

Table 38 (EU CR3): CRM techniques overview - Disclosure of the use of credit risk mitigation techniques

As at 12.31.2024 In € thousands	Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
Loans and advances	55,722,912	59,519,676	44,058,092	15,461,584	-
Debt securities	12,992,763	-	-	-	
Total	**68,715,675**	**59,519,676**	**44,058,092**	**15,461,584**	**-**
Of which non-performing exposures	235,417	790,203	764,098	26,105	-
Of which defaulted	*235,417*	*790,203*			

Table 39 (EU CR4): Standardised approach - Credit risk exposure and CRM effects

As at 12.31.2024 In € thousands	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
Exposure classes	On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)
Central governments or central banks	14,146,727	3,900	14,704,441	1,950	52,064	0%
Regional government or local authorities	7,476,923	1,410,445	7,476,923	10,547	39	0%
Public sector entities	14,889,030	806,928	14,889,030	201,006	395,071	3%
Multilateral development banks	549,656	-	549,656	-	-	0%
International organisations	167,378	-	167,378	-	-	0%
Institutions	243,183	20,000	243,183	4,000	11,843	5%
Corporates	210,660	117,997	210,660	17,565	200,568	88%
Retail	4,507,802	409,824	4,507,802	81,541	3,352,929	73%
Secured by mortgages on immovable property	6,640,603	73,037	6,640,603	36,500	2,588,161	39%
Exposures in default	317,044	3,756	317,044	736	327,726	103%
Exposures associated with particularly high risk	-	-	-	-	-	-
Covered bonds	-	-	-	-	-	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
Collective investment undertakings	13,439	5	13,439	5	57,177	425%
Equity	15,378	-	15,378	-	15,378	100%
Other items	1,156,434	-	1,156,434	-	1,156,434	100%
TOTAL	**50,334,257**	**2,845,893**	**50,891,971**	**353,848**	**8,157,389**	**16%**

Outstandings measured using the standardized approach mainly concern:

- the categories comprising central and local governments and similar entities;
- mortgage lending by specialized subsidiaries.

This type of counterparty or lending benefits from preferential weighting. There is no additional impact from the use of risk mitigation (CRM) techniques.

Table 40 (EU CR7-A): IRB approach - Disclosure of the extent of the use of CRM techniques

Advanced internal method

A-IRB As at 12.31.2024 In € thousands	Total exposures	Credit risk Mitigation techniques				
		Funded credit Protection (FCP)				
		Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)
Central governments and central banks	-	-	-	-	-	-
Institutions	-	-	-	-	-	-
Corporates	17,243,061	-	-	-	-	-
Of which Corporates – SMEs	9,908,182	-	-	-	-	-
Of which Corporates – Specialised lending	-	-	-	-	-	-
Of which Corporates – Other	7,334,879	-	-	-	-	-
Retail	48,043,416	-	-	-	-	-
Of which Retail – Immovable property SMEs	2,754,311	-	-	-	-	-
Of which Retail – Immovable property non-SMEs	23,400,542	-	-	-	-	-
Of which Retail – Qualifying revolving	92,681	-	-	-	-	-
Of which Retail – Other SMEs	7,800,281	-	-	-	-	-
Of which Retail – Other non-SMEs	13,995,602	-	-	-	-	-
Total	**65,286,477**	-	-	-	-	-

A-IRB As at 12.31.2024 In € thousands	Credit risk Mitigation techniques						Credit risk Mitigation methods in the calculation of RWEAs	
	Funded credit Protection (FCP)				Unfunded credit Protection (UFCP)			
	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)	RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and sustitution effects)
Central governments and central banks	-	-	-	-	-	-	-	-
Institutions	-	-	-	-	-	-	-	-
Corporates	-	-	-	-	1.73%	-	9,128,576	8,838,002
Of which Corporates – SMEs	-	-	-	-	1.19%	-	4,128,293	4,017,437
Of which Corporates – Specialised lending	-	-	-	-	-	-	-	-
Of which Corporates – Other	-	-	-	-	2.45%	-	5,000,283	4,820,565
Retail	-	-	-	-	0.25%	-	4,849,148	4,807,419
Of which Retail – Immovable property SMEs	-	-	-	-	0	-	402,091	402,091
Of which Retail – Immovable property non-SMEs	-	-	-	-	0	-	1,556,389	1,556,389
Of which Retail – Qualifying revolving	-	-	-	-	0	-	13,738	13,738
Of which Retail – Other SMEs	-	-	-	-	1.52%	-	1,461,511	1,419,782
Of which Retail – Other non-SMEs	-	-	-	-	0	-	1,415,419	1,415,419
Total	-	-	-	-	**0.64%**	-	**13,977,724**	**13,645,421**

Internal foundation method

F-IRB As at 12.31.2024 In € thousands	Total exposures	Credit risk Mitigation techniques				
		Funded credit Protection (FCP)				
		Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)
Central governments and central banks	-	-	-	-	-	-
Institutions	7,874,173	-	-	-	-	-
Corporates	10,458,415	-	-	-	-	-
Of which Corporates – SMEs	526	-	-	-	-	-
Of which Corporates – Specialised lending	1,160,747	-	-	-	-	-
Of which Corporates – Other	9,297,143	-	-	-	-	-
Total	**18,332,587**	**-**	**-**	**-**	**-**	**-**

F-IRB As at 12.31.2024 In € thousands	Credit risk Mitigation techniques						Credit risk Mitigation methods in the calculation of RWEAs	
	Funded credit Protection (FCP)				Unfunded credit Protection (UFCP)			
	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)	RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and sustitution effects)
Central governments and central banks	-	-	-	-	-	-	-	-
Institutions	-	-	-	-	-	-	1,004,344	1,004,344
Corporates	-	-	-	-	1.35%	-	7,826,407	7,661,798
Of which Corporates – SMEs	-	-	-	-	-	-	3,033	3,033
Of which Corporates – Specialised lending	-	-	-	-	-	-	726,606	726,606
Of which Corporates – Other	-	-	-	-	1.52%	-	7,096,768	6,932,158
Total	**-**	**-**	**-**	**-**	**0.77%**	**0.00%**	**8,830,751**	**8,666,142**

The Crédit Mutuel Arkéa group applies the advanced internal ratings-based method to most of its customer loans. As a result, collateral is mainly taken into account in the modeling of loss given default.

The Crédit Mutuel Arkéa group does not underwrite credit derivatives. Consequently, the following table is not displayed in the Group's Pillar 3 report:

- EU CR7: IRB approach - Effect on the RWEAs of credit derivatives used as CRM techniques.

Table 41 (EU CCR5): Composition of collateral for CCR exposures

As at 12.31.2024 In € thousands	Collateral used in derivative transactions				Collateral used in SFTs			
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
Cash – domestic currency	23,102	304,691	595,480	117,985	-	580	-	46,250
Cash – other currencies	-	-	-	-	-	-	-	-
Domestic sovereign debt	-	-	-	-	-	50,000	-	797,113
Other sovereign debt	-	-	-	-	-	276,517	-	173,513
Government agency debt	-	-	-	-	-	-	-	211,536
Corporate bonds	-	-	-	-	-	3,745,288	-	3,635,256
Equity securities	-	-	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-	-	-
Total	**23,102**	**304,691**	**595,480**	**117,985**	**-**	**4,072,385**	**-**	**4,863,668**

9. Securitisation

At December 31, 2024, the Crédit Mutuel Arkéa group held, as an investor, a number of securitization positions in the Banking Book portfolio.

Objectives

Investments are made exclusively in the ABS (Asset-Backed Securities) portfolio for LCR management.

For the most part, the risks are credit risks on underlying assets and liquidity risks, which are due in particular to changes in ECB eligibility criteria.

The securitization portfolio is therefore prudently managed and consists of senior securities of very good credit quality (AAA tranche). The portfolio was limited to outstandings of €152.5 million at end-December 2024.

Capital market monitoring and control procedures

The market risks of securitization positions are monitored on a regular basis so as to monitor changes in them.

The credit quality of the securitization tranches is observed by tracking the ratings of external credit rating agencies. Where justified by the securitization and underlying exposures, specific controls are performed on past due loans, prepayment rates and collection rates.

These analyses assess the credit level of the position and the performance of the underlying asset.

A report of new investments and changes in existing investments is produced weekly.

A report for the management bodies is distributed quaterly.

Prudential approaches and methods

For all positions with an external rating, the External-Ratings-Based Approach (SEC-ERBA) is used. In all other cases, the standardized approach (SEC-SA) is applied.

Accounting principles and methods

Securitization securities are recognized in the same way as other debt securities, i.e. based on their accounting classification. A security is classified:

- at amortized cost, if it is held with a view to collecting the contractual cash flows, and if its characteristics are similar to those of a so-called basic contract;
- at fair value through equity, if the instrument is held with a view to both collecting contractual cash flows and selling it when the opportunity arises, but not for trading purposes, and if its characteristics are similar to those of a so-called basic agreement that implicitly entails a high predictability of the related cash flows (hold to collect and sell model);
- at fair value through profit or loss if:

- it is not eligible for the two aforementioned categories (as it does not meet the “basic” criterion and/or is managed in accordance with the “other” business model);
- the group makes an irrevocable election at initial recognition to classify it in this way. This option is used to reduce an accounting mismatch in relation to another associated instrument.

All securitizations held in the portfolio at end-December 2023 are classified at amortized cost.

Table 42 (EU SEC1): Securitisation exposures in the non-trading book

As at 12.31.2024 In € thousands	Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
	Traditional				Synthetic		Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
	STS		Non-STS												
		of which SRT		of which SRT		of which SRT		STS	Non-STS			STS	Non-STS		
Total exposures	-	-	-	-	-	-	-	-	-	-	-	**152,503**	-	-	**152,503**
Retail (total)	-	-	-	-	-	-	-	-	-	-	-	152,503	-	-	152,503
Residential mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Credit card	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other retail exposures	-	-	-	-	-	-	-	-	-	-	-	152,503			152,503
Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wholesale (total)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans to corporates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lease and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Table 43 (EU SEC4): Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor

As at 12.31.2024	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)			
In € thousands	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions
Total exposures	**152,503**	-	-	-	-	-	**152,503**	-	-
Traditional securitisation	152,503	-	-	-	-	-	152,503	-	-
Securitisation	152,503	-	-	-	-	-	152,503	-	-
Retail underlying	152,503	-	-	-	-	-	152,503	-	-
Of which STS	152,503	-	-	-	-	-	152,503	-	-
Wholesale	-	-	-	-	-	-	-	-	-
Of which STS	-	-	-	-	-	-	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-	-
Synthetic securitisation	-	-	-	-	-	-	-	-	-
Securitisation	-	-	-	-	-	-	-	-	-
Retail underlying	-	-	-	-	-	-	-	-	-
Wholesale	-	-	-	-	-	-	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-	-

As at 12.31.2024	RWEA (by regulatory approach)				Capital charge after cap			
In € thousands	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions
Total exposures	**-**	**22,875**	**-**	**-**	**-**	**1,830**	**-**	**-**
Traditional securitisation	-	22,875	-	-	-	1,830	-	-
Securitisation	-	22,875	-	-	-	1,830	-	-
Retail underlying	-	22,875	-	-	-	1,830	-	-
Of which STS	-	22,875	-	-	-	1,830	-	-
Wholesale	-	-	-	-	-	-	-	-
Of which STS	-	-	-	-	-	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-
Synthetic securitisation	-	-	-	-	-	-	-	-
Securitisation	-	-	-	-	-	-	-	-
Retail underlying	-	-	-	-	-	-	-	-
Wholesale	-	-	-	-	-	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-

As Crédit Mutuel Arkéa acts as an investor, the following tables are not displayed in the Group's Pillar 3 report:

- EU SEC2: securitization exposures in the trading book;
- EU SEC3: securitization exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor;
- EU SEC5: Exposures securitized by the institution - exposures in default and specific credit risk adjustments.

10. Market risk

Information on the structure and organization of the function responsible for market risk management is provided in Crédit Mutuel Arkéa's 2024 Universal Registration Document, in the section entitled "Risks".

The Crédit Mutuel Arkéa group calculates its market risk capital requirements using the standardized approach.

At the end of December 2024, there is no market risk as the Crédit Mutuel Arkéa group has no portfolio in the trading book. Consequently, the following table is not displayed in the Group's Pillar 3 report:

- EU MR1: Market risk under the standardised approach.

11. Interest rate risk in the banking book

Information on the structure and organization of the function responsible for interest rate risk management is provided in Crédit Mutuel Arkéa's 2023 Universal Registration Document, in the section entitled "Risks".

Definition of interest rate risk

Interest rate risk is then current or prospective risk, to which the bank's shareholders' capital and earnings are exposed as a result of unfavorable movements in interest rates. It can result from a difference in maturity between fixed-rate assets and liabilities, a difference in the reference index (basis risk) or the exercise of options (such as caps, floors or early repayment of loans).

Assessment and monitoring

The system in place within Crédit Mutuel Arkéa concerning interest rate risk complies with the provisions of the administrative order of November 3, 2014, (SREP) (EBA/GL/2014/13)Interest rate risk is measured and monitored within the consolidated banking perimeter and for each component entity. All balance sheet and off-balance sheet items, especially financial instruments (swaps and options) and deferred transactions, are included in the measurement of this risk.

Interest rate risk management for the Group's banking perimeter is carried out by Crédit Mutuel Arkéa's ALM Department.

Interest rate risk arises from the Group's business activity and results from differences in interest rates and reference index between assets and liabilities. Its analysis also takes into account outstanding products without contractual maturity and implicit options (options for early repayment of loans or term accounts, payment extensions, use of credit rights, etc.). The measure of interest rate risk is based on three main indicators, calculated at least on a quarterly basis.

The **sensitivity of the net present value** (hereinafter "**NPV**") is an indicator provided by the Directive 2013/36/UE of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU, known as "CRD V". Expressed as a percentage of Tier 1 capital, it measures the variation in the present value of the balance sheet for the six scenarios of interest rate shocks in accordance with the EBA guidelines (+200 bp, -200 bp, steepener, flattener, increase in short rates, decrease in short rates), excluding equity, equity holdings and fixed assets. The CRD5 sets a maximum exposure threshold of -15% of Tier 1 capital.

At the end of 2024, the NPV sensitivities related to the Group's Tier 1 capital under different standardized rate scenarios are as follows:

- parallel up (+200 bp): -5.9%;
- parallel down (-200 bp): -4.1%;
- steepener (short rates down, long rates up):+0.9%;

- flattener (short rates up, long rates down): -3.2%;
- short rate up: -3.1%;
- short rate down: +3.4%.

The NPV sensitivities respect the Group's management threshold. The maximum exposure is nearly -500 million euros in the scenario of a 200 bp increase in interest rate.

Interest rate impasses on a static basis consists in projecting outstandings at a known interest rate based on their contractual characteristics (maturity date and type of amortization) or by modeling their flow.

Flow modeling is necessary when the amortization profile is not known (products with no contractual maturity such as current accounts, passbooks or equity capital) or when implicit options are incorporated in customer products (early repayments on loans and term accounts, etc.). With the exception of reserves and participations that are disposed of by agreement, the modeling is essentially based on the analysis of past customer behavior. In the context of early repayments, it takes into account a possible correlation between market rates and early repayments rates.

At the end of 2024, the static interest-rate impasse is in a short-term transformation position. Beyond that, the interest rate position is reduced across all maturities, with an overall neutral exposure in the central scenario. In a 1% rate cut scenario, the position is deformed by an average of €0.8 billion up to 10 years following the inclusion of behavioral options The levels of exposure on interest rate impasses respect the Group’s management thresholds and reflect the Group's low risk appetite for interest rate risk.

The **sensitivity of the interest margin** measures the gain (or loss) of a change (up or down) in interest rates on the Group’s interest margin. It is expressed as a percentage of the net banking and insurance income (hereinafter “**NBI**”), according to different rate shocks in a static view. It is constructed from static rate impasses and the impact of option risks that are projected over five years on the contracts in stock. At December 31, 2024, over a 2-year horizon, the sensitivity of annual stock revenues is with a minimum of -0.4% of NBI in a +100bp scenario.

Other static indicators are produced in order to monitor, in particular, the basis risk and the risk related to the activation of explicit options on customer loans (capped interest rate).

Since the regulatory technical standards governing IRRBB came into force, Crédit Mutuel Arkéa has been calculating the sensitivity of its net interest margin to shocks of +/-200 bp on a constant balance sheet basis (SOT-NII). It is calculated according to the guidelines recommended by the EBA (constant outstandings over a sliding one-year horizon integrating commercial margins with rate shocks of +/-200 bp). At the end of 2024, MNI sensitivities in relation to Crédit Mutuel Arkéa's Tier 1 capital comply with regulatory thresholds and internal requirements, and stand at the following levels:

- upward interest rate shock (+200 bp): +2.4% of Tier 1 capital;
- downward interest-rate shock (-200 bp) : -2.5% of Tier 1 capital.

In addition, dynamic indicators are also produced to determine the impact of future loan and deposit production (constant balance sheet and dynamic balance sheet) on the net interest margin in the Group's central economic scenario and under different stressed rate environments.

Management and hedging of interest rate risk

The management of the interest rate risk is centralized by Crédit Mutuel Arkea for all entities of the banking perimeter. The interest rate position of the banking entities is fully backed by the “central rate unit”. It manages the Group position with markets hedges in accordance with the exposure target defined by the Group’s Operational ALM Committee and in compliance with the framework set by ALM and Capital Management Committee and the Board of Directors.

When the risk arises from a difference in interest rates nature (between fixed-rate assets and variable-rate liabilities, for example), hedging is mainly executed through macro-hedging swaps.

In the case of an explicit optional risk, hedging must take the form of an option; the hedging of capped variable-rate loans is thus ensured by interest rate caps.

Macro-hedging transactions are generally justified in relation to Fair Value Hedge under IFRS on the basis of loan and deposit portfolios. Accounting documentation and effectiveness tests are produced at the inception of the hedge and updated half-yearly to ensure the effectiveness of the hedge and limit the impact on the Group’s IFRS earnings.

In the current ECB-led rate reduction context , the Group maintains a prudent policy and a high level of interest-rate backing, that is consistent with the risk appetite framework set by the Board of Directors. It thus retains limited exposure to interest-rate risk in order to protect its margin and value, which is corroborated by the level of impasses and the sensitivity indicator for net interest margin and value.

Description of the key modeling and parametric assumptions different from those used for disclosure of template EU IRRBB1

The modeling assumptions are carried out through internally developed models.

Early repayments of housing, cash, equipment and consumer loans in euros by entities in the traditional network are estimated using behavioral models. The models concerned are as follows:

- early repayments of housing loans;
- early repayments of zero-interest loans;
- early repayments of loans related to CEL (home savings accounts) and PEL (home savings plans)and passport credits;
- early repayment of bridging loans;
- early repayment of consumer loans;
- early repayment of investment loans;and loans by passport
- early repayment of cash flow loans.

In accordance with authorities recommendations, Crédit Mutuel Arkéa group's interest rate risk exposure and sensitivity indicators measurement are carried out using three complementary approaches: static, dynamic on a constant balance sheet basis and dynamic with future activity assumptions. Thus, flow conventions are applied, notably those applicable to the following aggregates:

- unmatured client resources;
- current accounts receivable;
- revolving loans;

- home savings plans;
- doubtful and unpaid loans;
- litigation;
- other balance sheet items.

The Crédit Mutuel Arkéa group does not use any other assumptions than those defined above to control the table IRRBB1.

Average and longest repricing term on non-maturity deposits

The average Crédit Mutuel Arkéa group's demand deposits maturity calculation is carried out quarterly. On December 31, 2024, the average maturity of demand deposits in euros is 4.2 years, and therefore complies with the 5-year limit indicated in paragraph 115-o of the EBA guidelines.

Table 44 (EU IRRBB1): Interest rate risks of non-trading book activities

In € thousands	ΔEVE	
Period	12.31.2024	06.30.2024
Parallel up (+200 bps)	-500,458	-521,691
Parallel down (-200 bps)	-348,982	-44,593
Steepener	73,461	-311
Flattener	-274,884	-126,565
Short rate up	-265,104	-226,382
Short rate down	294,897	231,029

Period	12.31.2024
Tier 1 capital	8,551,201

In € thousands	ΔNII(*)	
Period	12.31.2024	06.30.2024
Parallel up (+200 bps)	203,464	106,689
Parallel down (-200 bps)	-211,464	-95,133

(*) The MNI sensitivities declared in the Pillar 3 report at 12.31.2024 are calculated according to the guidelines recommended by the EBA (constant outstandings over a sliding one-year horizon integrating commercial margins with rate shocks of +/-200 bp).

12. Liquidity risk

Information on the structure and organization of the function responsible for liquidity risk management is provided in Crédit Mutuel Arkéa's 2024 Universal Registration Document, in the section entitled "Risks".

Liquidity risk is the risk that an entity will not be able to meet its obligations or to unwind or offset a position because of its situation or the market situation within a specified period of time and at a reasonable cost. It arises from a maturity mismatch between the sources and uses of funds.

It may result in an additional financial expense in the event of an increase in liquidity spreads; in the most extreme form, it could result in the institution's inability to honor its commitments.

The Group has historically been vigilant and prudent in managing this risk.

A number of regulatory liquidity ratios are closely monitored, including:

- the LCR (Liquidity Coverage Ratio), which is provided for by the CRD 4 and CRR regulations. It measures the ratio between liquid assets and net cash outflows at 30 days under a stress scenario. The minimum required level has been 100% since 2018;
- the NSFR (Net Stable Funding Ratio), which is also a liquidity ratio provided for by the CRD 4 and CRR regulations. It verifies the coverage of stable uses by stable resources. The minimum required level has been 100% since June 2021.

In addition to regulatory liquidity indicators, CM Arkéa has an advanced internal system for monitoring and controlling liquidity risk, which is overseen and managed by the ALM Department.

Strategy and processes implemented

The main objective of the Crédit Mutuel Arkéa group's treasury and refinancing management strategy is to ensure that liquidity risk management complies with the Group's ALM and capital management policy and the risk appetite framework. This policy, defined by Crédit Mutuel Arkéa's Executive Management and Board of Directors, has historically been vigilant and prudent in the face of this risk.

The general liquidity risk appetite is defined using the principles approved by Crédit Mutuel Arkéa's Board of Directors, which are summarized below:

- manage liquidity within the Group's consolidated banking scope;
- ensure prudent management of liquidity risk by dedicated teams within Crédit Mutuel Arkéa that act as the Group's central liquidity unit (the central liquidity unit being the Group's only issuer in the markets) in order to contribute to the Group's business continuity even during long periods of adverse activity trends;
- manage the Crédit Mutuel Arkéa group's balance sheet structure in order to help control liquidity risk;
- manage the internal allocation to provide subsidiaries with access to liquidity at all times (Crédit Mutuel Arkéa being their sole counterparty for managing their cash needs or surpluses) to enable them to comply with regulatory and internal rules.

These principles translate into limits and management thresholds applicable to a series of indicators that are monitored at least quarterly (which incorporate various assumptions based on the Group's business model).

Certain key indicators are the subject of particular attention: the loan-to-deposit ratio, the LCR, the NSFR, the survival horizon (with a stress in the financial markets scenario and a stress in the markets scenario coupled with customer deposit flights) and the level of use of the increased overall collateral management pool (3G pool) (allowing access to the ECB’s monetary policy operations).

The Group implemented a policy aimed at reducing its level of dependence on the financial markets and increasing its reserves of liquid assets. The loan-to-deposit ratio was 101.3% at the end of 2024. The liquidity reserves (made up of available cash, securities that are LCR-eligible and assets that are ECB-eligible immediately or in the short term) represent more than twice the requirements in connection with the LCR, at €36 billion.

The monitoring and management system is supplemented by other indicators that cover the various aspects of liquidity risk: liquidity gaps in central and stress scenarios, asset mobilization ratio (based on the reporting of encumbered assets), dispersion of sources of refinancing, refinancing volumes by maturity, etc.

At the end of 2024, the Group management thresholds and limits set by the management body (Executive Management and Board of Directors) were complied with in full for all the key liquidity indicators in the risk appetite framework.

Structure and organization of the function responsible for liquidity risk management

Three levels of management bodies are responsible for liquidity management.

Group-wide ALM principles and limits are set annually by Crédit Mutuel Arkéa’s Board of Directors. The Board is regularly informed of the results of the policy implemented and monitors compliance with the limits on a quarterly basis. The subsidiaries’ limits are adopted by their respective supervisory bodies in accordance with the framework defined at Group level.

The ALM and Capital Management Committee is responsible for the Group’s strategic management. Chaired by the Group’s Chief Executive Officer, its members include the effective managers and the central managers in collaboration with the ALM Department. This committee, which is an “ad hoc committee” within the meaning of Article 228 of the administrative order of November 3, 2014 on internal control, meets at least four times a year (it met eight times in 2024).

As regards liquidity, the role of the ALM and Capital Management Committee is to:

- define the general liquidity risk management policy and propose a body of principles and limits to Crédit Mutuel Arkéa’s Board of Directors;
- monitor the liquidity exposure of the Group and of its components. If necessary, it may ask a unit to adjust its exposure;
- validate the process for measuring and monitoring related risks;
- steer the entities’ commercial policies on savings collection and loan sales by setting the internal capital transfer rules.

The Operational ALM committees of the Group and the subsidiaries are responsible for the day-to-day ALM of the corresponding entity, by delegation of authority and based on guidelines defined by the Group ALM and Capital Management Committee. The Group’s

Operational ALM Committee meets monthly. Chaired by the group’s Head of Finance and Global Performance, its role is to:

- monitor cash and liquidity reserves;
- manage the Group’s refinancing and liquidity hedges, in particular by defining the program for raising funds on the markets for all maturities;
- monitor risk indicators and compliance with management limits and rules.
- monitor and manage the Group’s overall interest rate risk exposure.

The main operational structures are:

- the ALM Department, which reports to the Financial Steering Department, produces the ALM indicators and the reports required for the supervision and decisions of the ALM and Capital Management Committee and of the Group Operational ALM Committee (the department head being a member of these committees), in collaboration, if necessary, with the Financial Markets Department. It monitors the implementation of the decisions of the two aforementioned committees. It also manages the Group's main receivables mobilization channels for secured refinancing;
- the Financial Markets Department, which negotiates and arranges transactions (refinancing, investment and treasury) within the framework determined by the ALM and Capital Management Committee and the Group Operational ALM Committee;
- the Back Office Department, which manages intra-day cash, in conjunction with the Financial Markets Department.

Description of the degree of centralization of liquidity management and interaction among Group units

As indicated in the "Strategy and processes implemented" section, Crédit Mutuel Arkéa acts as a central liquidity unit :

- Crédit Mutuel Arkéa borrows and lends on the markets while taking into account the projected needs or surpluses of the entities included in the banking scope. Transactions are carried out in euros;
- entities with cash requirements are refinanced exclusively by Crédit Mutuel Arkéa, while banking entities with cash surpluses invest them exclusively with Crédit Mutuel Arkéa. Transactions are carried out based on applicable arm's length terms.

In addition to the vital importance of liquidity risk management by specialized teams within Crédit Mutuel Arkéa, this structure makes it possible to pool the needs of all the banking entities and to achieve the critical mass needed to access markets under competitive conditions as regards price and volume.

Since the Group’s liquidity management is centralized by Crédit Mutuel Arkéa, the supervisor has granted the Group’s main banking subsidiaries an exemption from the individual monitoring of the LCR.

Policies for hedging and mitigating liquidity risk, and strategies and processes put in place to monitor the ongoing effectiveness of such hedges and mitigation techniques

Liquidity risk exposure monitoring consists of a range of indicators covering the various facets of liquidity risk. A body of internal standards is defined and validated annually, and is monitored regularly (at least once every quarter); if necessary, if a standard appears inappropriate in light of cyclical or structural changes, it may be amended by a decision or proposal of the ALM and Capital Management Committee and the Board of Directors.

The Group's market refinancing program is defined annually by taking into account the impact of the projected commercial activity on the main liquidity indicators and in accordance with the Group system of multi-year projections with which it is in line. It aims to ensure long-term compliance (three to four years) with internal standards. It can be updated every quarter based on actual and projected trends in commercial activity and the financial market environment (see section 4.5.3 of the 2024 Universal Registration Document on liquidity risk for more details).

Explanation of how stress testing is used

In addition to monitoring and managing liquidity risk under normal circumstances (structural scenario), Crédit Mutuel Arkéa also performs simulations in a liquidity crisis situation (stress scenario).

In a static view, the liquidity stress scenario is a single scenario combining a crisis in the financial markets and in customer deposits (simultaneously). The crisis assumptions used are in line with those defined for calculating the LCR, which means that a positive or zero gap in a liquidity crisis scenario is consistent with an LCR that is greater than or equal to 100% over the long term (for items already on the balance sheet).

The crisis in the markets can be global (systemic) or related only to the Group's creditworthiness (idiosyncratic); it results in liquidity spread tensions or even the inability to obtain refinancing from other banks, with the result that only highly liquid securities (in terms of the LCR) do not require a liquidity matching rule. In addition, refinancing agreements, for which the Group has made a liquidity commitment, are considered to be used over their term (based on the weighting used for the LCR).

The modeling of customer deposit stress involves mainly three types of assumptions:

- customer deposit flight: deposits are segmented according to the type of deposit (demand or term deposits, with and without prior notice) and the type of customer (with a segmentation and flight rates consistent with the LCR assumptions);
- drawdown of amounts under off-balance sheet agreements (overdraft, revolving);
- level of early loan repayments that include only the structural part (i.e. not correlated to the interest rate environment).

In a dynamic view, the aim of the financial autonomy indicator is to estimate the number of days the Group can survive if the financial markets close. It is obtained by comparing the forecast cash position with the assets eligible for Central Bank refinancing :

- forecast cash position: this is determined based on a gap in a dynamic environment, i.e. by including future customer activity;
- assets eligible for Central Bank refinancing: assets are valued based on their availability in accordance with the definition of the Group's liquidity reserves made up of the available 3G pool and the liquidity potential (ECB-eligible assets available within a short period of time).

This indicator models two scenarios :

- the central scenario concerns only stress in the markets (global stress);
- the alternative scenario includes stress in the markets coupled with customer deposit stress (global and idiosyncratic stress): deposits are therefore subject to a dual run-off assumption (at one month and six months) in accordance with the run-off assumptions of the LCR and NSFR regulatory liquidity ratios.

Scope and nature of liquidity risk reporting and assessment systems, and statement by the management body

The monitoring of exposure and limits is the subject of regular (quarterly at a minimum) reports to the above-mentioned bodies, as well as to the Risk and Internal Control Committee and the Risk Monitoring Committee.

The reports are tailored to the recipients concerned on the basis of their role in the management and monitoring of liquidity risk.

In addition, each year the management body (made up of Crédit Mutuel Arkéa's Board of Directors and Executive Management) approves a statement on liquidity risk. This statement, which is sent to the ECB, covers the main aspects of liquidity risk management: organization, the measurement and monitoring system, the Group’s risk appetite, management procedures (both in normal and stress situations), the levels of the main indicators, the refinancing strategy, etc. The statement in respect of 2024ended as follows :

“In light of the above, and given the political, geopolitical and economic uncertainties in 2024, Crédit Mutuel Arkéa’s Board of Directors and Executive Committee are satisfied with the robustness and agility of the liquidity framework.

They confirm that the Group’s liquidity situation reflects the implementation of a prudent policy, both in normal and stressed situations, and that it effectively corresponds to its liquidity risk appetite.

As such, the survival indicator calculated by the Crédit Mutuel Arkéa group is above the 12-month threshold. The levels of the liquidity indicators thus demonstrate the Group’s soundness and its ability to finance the real economy

The Group has high-quality liquidity reserves to cope with the uncertain political and geopolitical context and the risk of digitalization caused in particular by the planned or future regulatory developments on the Digital Euro and the expansion of instant payment.

The projections for the coming years confirm the robustness of the ILAAP mechanism , with a level of liquidity that enables the Group to pursue its development while maintaining a high level of financial security.

The centralized structure of liquidity management and the associated governance are appropriate to the vital nature of liquidity risk management. the liquidity situation is continuously monitored

Regular reporting by the group's various bodies is in line with expectations. In accordance with its principles of good management and the expectations of the ECB, Crédit Mutuel Arkéa’s Board of Directors and Executive Committee are committed to promoting the ILAAP approach by continuing to monitor on an ongoing basis the adequacy of the Group’s liquidity and financing in light of its risk appetite.”

Short-term liquidity ratio information

In accordance with the CRR, the Crédit Mutuel Arkéa group’s Accounting Department produces, and submits monthly to the ECB, a report on its short-term liquidity coverage ratio (hereinafter “LCR”).

The purpose of the LCR is to ensure the short-term resilience of banks in the face of severe liquidity stress. It verifies that the level of highly-liquid assets is sufficient to cover the net cash flows over the next 30 days, under stress assumptions involving, in particular, deposit flight and drawdowns of amounts under off-balance sheet agreements.

Explanations on the main drivers of LCR results, its changes over time and the evolution of the contribution of inputs to the LCR’s calculation over time

The minimum required level of the LCR was 100% in 2024. The Group met the regulatory requirement over the fourth quarter of 2024 with significant room for maneuver. The average LCR from January to December 2024 was 143.24%. At the end of December 2024, Group's consolidated LCR ratio was 146.95, an increase of 10.53 points compared with the end of September 2024.

The Crédit Mutuel Arkéa group's liquid assets totaled €22.689 billion and consisted mainly of deposits at central banks and covered bonds level1. These represented 72% of liquid assets at the end of December 2024

Net cash outflows over 30 days amounted to €17.942 billion, most of which corresponded to customer deposits. This represented an increase of € 2.145 million compared with the end of September 2024.

Net cash inflows over 30 days amounted to €2.502 billion, most of which corresponded to customer loans and maturing debt securities. This represented an increase of €244 billion compared with the end of September 2024.

Table 45 (EU LIQ1): Quantitative information on the liquidity coverage ratio (LCR)

In € thousands	Total unweighted value (average)				Total weighted value (average)			
Quarter ending on	12.31.2024	09.30.2024	06.30.2024	03.31.2024	12.31.2024	09.30.2024	06.30.2024	03.31.2024
Number of data points used in the calculation of averages : 12								
HIGH-QUALITY LIQUID ASSETS								
Total high-quality liquid assets (HQLA)					**19,514,465**	19,478,765	19,766,644	20,228,937
CASH - OUTFLOWS								
Retail deposits and deposits from small business customers, of which:	**45,552,620**	44,639,597	43,673,991	42,872,891	**2,924,447**	2,871,672	2,818,294	2,780,098
Stable deposits	**32,121,787**	31,521,758	30,921,911	30,362,022	**1,606,089**	1,576,088	1,546,096	1,518,101
Less stable deposits	**11,587,231**	11,462,062	11,312,808	11,278,958	**1,301,722**	1,283,656	1,263,923	1,257,355
Unsecured wholesale funding	**20,559,510**	20,614,245	20,978,259	21,613,312	**10,788,520**	10,655,933	10,600,446	10,767,575
Operational deposits (all counterparties) and deposits in networks of cooperative banks	**997,406**	1,298,951	1,711,230	2,037,370	**80,740**	112,845	156,301	194,784
Non-operational deposits (all counterparties)	**19,027,284**	18,758,785	18,682,200	18,874,243	**10,172,960**	9,986,579	9,859,315	9,871,091
Unsecured debt	**534,820**	556,510	584,830	701,699	**534,820**	556,510	584,830	701,699
Secured wholesale funding					**115,190**	100,408	99,766	102,828
Additional requirements	**12,168,301**	12,171,828	12,019,497	11,967,957	**2,121,342**	2,155,070	2,132,521	2,119,047
Outflows related to derivative exposures and other collateral requirements	**699,812**	649,132	568,177	484,343	**699,812**	649,132	568,177	484,343
Outflows related to loss of funding on debt products	**-**	-	-	-	**-**	-	-	-
Credit and liquidity facilities	**11,468,489**	11,522,697	11,451,320	11,483,614	**1,421,530**	1,505,938	1,564,345	1,634,704
Other contractual funding obligations	**84,197**	171,206	302,595	410,488	**84,197**	171,206	302,595	410,488
Other contingent funding obligations	**402,430**	443,965	489,731	529,647	**43,900**	51,052	59,143	64,390
TOTAL CASH OUTFLOWS					**16,077,597**	16,005,341	16,012,764	16,244,426
CASH - INFLOWS								
Secured lending (e.g. reverse repos)	**481,845**	343,634	340,284	403,761	**133,849**	112,790	137,028	159,128
Inflows from fully performing exposures	**1,800,556**	1,767,905	1,725,330	1,650,042	**1,179,913**	1,152,717	1,120,766	1,063,281
Other cash inflows	**1,154,818**	1,040,892	1,024,209	1,088,956	**1,154,818**	1,040,892	1,024,209	1,088,956
(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					**-**	-	-	-
(Excess inflows from a related specialised credit institution)					**-**	-	-	-
TOTAL CASH INFLOWS	**3,437,219**	3,152,431	3,089,822	3,142,760	**2,468,579**	2,306,398	2,282,002	2,311,365
Fully exempt inflows	**87,500**	87,500	87,500	170,833	**87,500**	87,500	87,500	170,833
Inflows subject to 90% cap	**-**	-	-	-	**-**	-	-	-
Inflows subject to 75% cap	**3,349,719**	3,064,931	3,002,322	2,971,926	**2,381,079**	2,218,898	2,194,502	2,140,532
TOTAL ADJUSTED VALUE								
LIQUIDITY BUFFER					**19,514,465**	19,478,765	19,766,644	20,228,937
TOTAL NET CASH OUTFLOWS					**13,609,017**	13,700,296	13,730,762	13,933,061
LIQUIDITY COVERAGE RATIO					**143%**	**142%**	**144%**	**145%**

The Crédit Mutuel Arkéa group calculates the LCR in accordance with Implementing Regulation (EU) 2021/637.

Concentration of funding and liquidity sources

Crédit Mutuel Arkéa seeks to diversify its sources of funding and liquidity. It has therefore defined internal standards on :

- the loan-to-deposit ratio in order to check the balance of the commercial business and dependence on market refinancing;
- the level of dispersion of interbank refinancing in order to ensure control of its dependence on certain counterparties;
- refinancing volumes by maturity to avoid a concentration of the maturities of the refinancing lines.

At the same time, the Crédit Mutuel Arkéa group has developed a policy of diversifying its refinancing channels and has several types of issue vehicles, particularly in the medium to long term, with both unsecured and secured issuance programs.

The definition of the refinancing program takes into account these limits and the various possible issuance vehicles. When preparing for and carrying out issues in the markets, attention is also paid to the diversification of investors, both by type of investor (asset managers, banks, etc.) and by geographic area (France, Germany, Scandinavian countries, etc.).

Description of the composition of the institution's liquidity buffer

Available liquidity reserves are a buffer in the event of a liquidity crisis.

They consist of cash that is available immediately (net of mandatory reserves) or in the short term (less than six months) and assets eligible for Central Bank refinancing available immediately or within three weeks (valued with the discount provided by the Central Bank). The level of liquidity reserves is set monthly by the Treasury, Refinancing and Foreign Exchange department and may, if necessary, be discounted on a daily basis.

The liquidity reserves are presented monthly to the Group Operational ALM Committee in order of asset liquidity, with a comparison with past months, and quarterly to the ALM and Capital Management Committee and the Board of Directors as part of the limit monitoring process.

At December 31, 2024, the liquidity reserves amounted to €36,1 billion, an increase of €3.1 billion since December 31, 2023.

Liquidity reserves

In € billion	**12.31.2024**	**12.31.2023**
Central bank deposits	10.1	13.2
LCR securities eligible for the 3G pool *(after haircut)*	12.6	7.8
Other assets eligible for the 3G pool *(after haircut)*	13.4	11.8
Other assets not eligible for the 3G pool *(after haircut)*	0.1	0.1
Total	**36.1**	**33.0**

Crédit Mutuel Arkéa strives to maintain liquidity reserves of more than nearly twice the amount of the net cash outflows of the LCR. This liquidity buffer allows it to cope with extreme crisis situations at all times and reflects the Group's commitment to prudent liquidity risk management.On December 31, 2024, the liquidity reserves represented 40% of Crédit Mutuel Arkéa's gross deposits.

Exposure to derivatives and possible collateral calls

The Crédit Mutuel Arkéa group uses derivatives mainly for the purpose of managing interest rate risk. They are subject to margin calls that are generally standardized and meet the requirements of the European Market Infrastructure Regulation (EMIR).

At the end of 2024, the net position of collateral calls was not material and had a marginal impact on cash and liquid securities management.

In addition, the calculation of the LCR includes an additional cash outflow corresponding to additional collateral requirements that would result from an adverse market scenario; the amount was valued at close to €718 million at December 31, 2024, which is not material in view of the amount of liquid assets.

Asymmetry of currencies in the LCR

The LCR is calculated in euros only, as foreign currency positions are marginal (foreign currency positions are valued in euros as they are below the 5% representativeness threshold in the total consolidated banking balance sheet). This is due to the group's business model and geographic location.

Information on net stable funding ratio

In addition to the LCR, European regulations provide for a long-term structural liquidity ratio called the "**NSFR**" (net stable funding ratio). The NSFR is designed to encourage credit institutions to have a permanent structure of stable resources, enabling them to continue operating over a period of one year in an environment of prolonged stress. The minimum required level of the NSFR has been 100% since June 2021 under the CRR.

The Group met the regulatory requirement in the second half of 2024 with significant room for maneuver. The average annual NSFR from January to December 2024 was 114,03%. At the end of December 2024, the NSFR ratio stood at 116.11%, up 1.44 points on the end of June 2024.

The amount of weighted liabilities available at one year was €95.224 billion, most of which corresponded to customer deposits and issues (negotiable medium-term notes, negotiable certificates of deposit, etc.). This represented an increase of €1.728 billion compared with the end of June 2024.

The amount of weighted assets to be financed over one year was €82.012 billion, most of which corresponded to loans to non-financial customers. This represented an increase of €474 billion compared with the end of June 2024.

Table 46 (EU LIQ2): Net stable funding ratio (NSFR)

As at 12.31.2024 In € thousands	Unweighted value by residual maturity				Weighted value
	No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items					
Capital items and instruments	8,693,319	63,127	-	2,437,975	11,131,294
Own funds	8,693,319	-	-	1,990,549	10,683,867
Other capital instruments		63,127	-	447,426	447,426
Retail deposits		47,180,378	-	-	44,056,911
Stable deposits		31,891,421	-	-	30,296,850
Less stable deposits		15,288,957	-	-	13,760,061
Wholesale funding:		37,185,926	2,621,446	25,415,202	38,985,090
Operational deposits		800,000	-	-	400,000
Other wholesale funding		36,385,926	2,621,446	25,415,202	38,585,090
Interdependent liabilities		10,059,132	-	-	-
Other liabilities:	-	3,853,273	-	1,050,849	1,050,849
NSFR derivative liabilities	-				
All other liabilities and capital instruments not included in the above categories		3,853,273	-	1,050,849	1,050,849
Total available stable funding (ASF)					**95,224,144**
Required stable funding (RSF) Items					
Total high-quality liquid assets (HQLA)					1,035,414
Assets encumbered for a residual maturity of one year or more in a cover pool		599,816	589,646	13,761,155	12,708,025
Deposits held at other financial institutions for operational purposes		-	-	-	-
Performing loans and securities:		9,279,600	5,194,697	66,177,725	58,072,239
Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		-	161,237	-	80,619
Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		1,514,180	586,930	1,886,994	2,307,397
Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		5,748,240	2,992,171	33,592,412	54,200,953
With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		884,517	796,369	20,718,797	18,653,400
Performing residential mortgages, of which:		1,052,046	1,059,146	29,855,717	-
With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		173,802	178,057	6,196,577	-
Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		965,134	395,212	842,603	1,483,270
Interdependent assets		10,059,132	-	0	0
Other assets:		4,326,573	-	7,615,590	9,546,385
Physical traded commodities				0	0
Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		595,480	-	0	506,158
NSFR derivative assets		57,479			57,479
NSFR derivative liabilities before deduction of variation margin posted		241,288			12,064
All other assets not included in the above categories		3,432,326	-	7,615,590	8,970,684
Off-balance sheet items		12,146,223	-	42,495	649,806
Total RSF					**82,011,868**
Net Stable Funding Ratio (%)					**116%**

13. Information on encumbered and unencumbered assets

Pursuant to Article 430(1)(g) of the CRR, the Crédit Mutuel Arkéa group reports to the competent authorities the amount of encumbered and unencumbered assets at its disposal and their main characteristics. These assets may be used as collateral to obtain other financing on the secondary markets or from the central bank, and therefore constitute additional sources of liquidity.

An asset is considered to be “encumbered” if it is used as collateral, or may be used contractually, to secure, collateralize or enhance a transaction from which it cannot be separated. By contrast, an asset is "unencumbered" if it is free from any legal, regulatory, contractual or other limitations, the possibility of liquidation, sale, transmission or disposal.

For example, the definition of encumbered assets includes the following types of contracts:

- secured financial transactions, including repurchase agreements, securities lending and other forms of loans;
- collateralization agreements;
- collateralized financial guarantees;
- collateral placed in clearing systems, clearing houses or other institutions as a condition for accessing the service. This includes initial margins and funds against insolvency risk;
- facilities given to central banks. Assets already in position should not be considered encumbered, unless the central bank does not authorize the withdrawal of these assets without prior agreement;
- underlying assets of securitisation entities when these assets have not been derecognized by the entity. The assets underlying the securities held are not considered encumbered, unless these securities are used to pledge or guarantee a transaction in any way;
- baskets of collateral created to issue covered bonds. These assets are recognized as encumbered assets except in certain situations where the entity holds these covered bonds (self-issued bonds).

Assets placed in financing mechanisms that are unused and can easily be withdrawn are not considered to be encumbered.

In the case of the Crédit Mutuel Arkéa group, the main sources of charges on assets are:

- repurchase agreements;
- receivables used as collateral for covered bond issuance;
- receivables used as collateral for borrowings from refinancing institutions.

The median ratio of encumbered assets to total regulated assets was 15.38% at December 31, 2024.

Table 47 (EU AE1): Encumbered and unencumbered assets

As at 12.31.2024 In € thousands	Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
		of which notionally eligible EHQLA and HQLA		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA
Assets of the disclosing institution	**21,396,717**	**2,235,124**			**114,065,892**	**8,665,225**		
Equity instruments	-	-	-	-	1,683,946	-	1,683,946	-
Debt securities	2,779,949	2,235,124	2,779,949	2,235,124	9,304,966	8,665,225	9,295,329	8,665,225
of which: covered bonds	597,395	597,395	597,395	597,395	-	-	-	-
of which: securitisations	-	-	-	-	-	-	-	-
of which: issued by general governments	1,462,068	1,462,068	1,462,068	1,462,068	2,012,676	2,012,676	2,012,676	2,012,676
of which: issued by financial corporations	1,381,526	835,868	1,381,526	835,868	5,857,464	5,857,475	5,847,839	5,847,839
of which: issued by non-financial corporations	-	-	-	-	1,119,866	611,580	1,110,083	611,580
Other assets	**18,426,434**	-			**104,507,799**	-		

median values of end-of-quarter data for the past year

Table 48 (EU AE2): Collateral received and own debt securities issued

As at 12.31.2024 In € thousands	Fair value of encumbered collateral received or own debt securities issued		Unencumbered Fair value of collateral received or own debt securities issued available for encumbrance	
		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA
Collateral received by the disclosing institution	218,388	218,388	4,868,504	-
Loans on demand	-	-	-	-
Equity instruments	-	-	-	-
Debt securities	218,388	218,388	4,023,606	-
of which: covered bonds	-	-	2,798,093	-
of which: securitisations	-	-	-	-
of which: issued by general governments	189,395	189,395	932,473	-
of which: issued by financial corporations	35,166	35,166	306,605	-
of which: issued by non-financial corporations	-	-	2,127	-
Loans and advances other than loans on demand	-	-	-	-
Other collateral received	-	-	597,491	-
Own debt securities issued other than own covered bonds or securitisations	-	-	-	-
Own covered bonds and securitisations issued and not yet pledged			-	-
Total collateral received and own debt securities issued	**21,597,028**	**2,404,022**		

median values of end-of-quarter data for the past year

Table 49 (EU AE3): Sources of encumbrance

As at 12.31.2024 In € thousands	Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered
Carrying amount of selected financial liabilities	13,048,360	20,811,598

median values of end-of-quarter data for the past year

14. Operational risk

Information on the structure and organization of the function responsible for operational risk management is provided in Crédit Mutuel Arkéa's 2023 Universal Registration Document, in the section entitled "Risks".

Description of the advanced measurement approach (AMA)

As part of the implementation of the operational risk advanced measurement approach (hereinafter "**AMA**") for measuring capital requirements in respect of operational risks, a dedicated department of the CNCM Risk Department is responsible for operational risk. The Crédit Mutuel Arkéa group is fully committed to this approach.

It involves measuring and controlling operational risks based on the risk mapping carried out for each business line, purpose, type of risk and risk context. This work is carried out in close collaboration with the subsidiaries and operational departments, in accordance with the day-to-day risk management measures. These mappings serve as a standardized framework for analysis of the proven loss experience and potential risks.

For "serious" risks, they result in modeling drawn from the work of experts which is reconciled with probability-based estimates based on different scenarios.

For "frequency" risks, the models rely on the national database of internal incidents. Data is entered into this application by the Crédit Mutuel Arkéa group in accordance with a national collection procedure which defines a uniform threshold of €1,000 above which each incident must be input. To ensure data collection is exhaustive, the national system also provides a framework for reconciliations of the incident database and the accounting information.

Subscription to an external database completes the analysis. It contributes to the enhancement of mapping and, more generally, the operational risk measurement system. The use of this database and the procedures for taking this data into account are the subject of a CNCM procedure.

The Group's general management and reporting system incorporates the requirements of the administrative order of November 3, 2014 relating to internal control. The effective managers are informed of operational risk exposures and losses on a regular basis and at least four times a year.

The procedures implemented within the Crédit Mutuel Arkéa group in terms of governance, incident collection and risk management and measurement systems enable it to take appropriate corrective measures. These procedures are subject to regular controls.

Authorized use of the AMA method

The French Prudential Control and Resolution Authority (hereinafter the "**ACPR**") has authorized Crédit Mutuel to use the advanced measurement approach to calculate its capital adequacy requirement as from April 1, 2010. This provision applies to the Crédit Mutuel Arkéa group, with the exception of those entities that have been included in the calculation scope since that date.

The Group's capital adequacy requirement calculated using the AMA method is determined by dividing between the regional groups the requirement calculated at the level of CNCM.

Operational risk mitigation and hedging policy

Operational risk mitigation techniques include:

- preventive measures identified during the mapping process and implemented directly by operational staff;
- safeguard initiatives, which focus primarily on the widespread implementation of emergency and business continuity plans (EBCP);
- insurance programs.

Each of the Crédit Mutuel Arkéa group's key or important activities has its own emergency and business continuity plan, which is organized on the basis of three phases:

- emergency assistance: this is triggered immediately and involves measures designed to handle emergencies and institute solutions for operating under adverse conditions;
- business continuity: this involves resuming activities under adverse conditions in accordance with procedures defined before the crisis;
- return to normal.

Use of insurance techniques

The ACPR has authorized Crédit Mutuel to take into account the impact of insurance as a mitigating factor when calculating the capital adequacy requirement using the AMA method for operational risk.

The principles applied for financing operational risks within the Crédit Mutuel Arkéa group depend on the frequency and severity of each potential risk. They consist of:

- setting aside funds for frequent risks through the operating account;
- insuring insurable serious risks via external insurers or reinsurers;
- developing self-insurance for amounts below insurance companies' excesses;
- allocating prudential capital reserves or provisions financed by assets that can be mobilized for serious non-insurable risks.

The Crédit Mutuel Arkéa group's insurance programs comply with the provisions of Article 323 of the CRR concerning the deduction of insurance under the AMA.

The insurance coverage used in the deduction process covers damage to real and personal property (multi-risk), specific banking risks and fraud, professional third-party liability and cyber-risks.

Table 50 (EU OR1): Operational risk own funds requirements and risk-weighted exposure amounts

As at 12.31.2024 In € thousands	Relevant indicator			Own funds requirements	Risk exposure amount
	Year-3	Year-2	Last year		
Banking activities subject to basic indicator approach (BIA)	201,259	229,416	248,546	33,961	424,513
Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches	112,109	126,185	106,903	13,776	172,204
Subject to TSA:	112,109	126,185	106,903		
Subject to ASA:	-	-	-		
Banking activities subject to advanced measurement approaches AMA	1,782,494	1,863,234	1,497,900	214,098	2,676,222

15. ESG Risk

15.1. Definition of ESG risks

From a prudential point of view, for a financial institution, ESG risks are the negative materialization of ESG factors affecting its financial situation, financial results and cash flows as a result of impacts on its counterparties or assets.

ESG risks are potentially aggravating factors for other existing risks to which the Crédit Mutuel Arkéa group is exposed, which include credit risk, operational risk and other categories of financial risk. Therefore, Crédit Mutuel Arkéa integrates ESG risk factors into its governance, strategy and overall risk management framework.

15.1.1. Environmental risks

Economic activity, and the financial system in particular, is affected by environmental damage and climate change. Environmental risks should be understood as the financial risks arising from a banking institution's exposure to counterparties or investments that may be impacted by environmental factors or contribute to the negative effects of environmental factors, such as climate change and other forms of environmental degradation. Environmental risks include climate risks and risks related to biodiversity loss.
They can also lead to reputational and liability risks, which are addressed within the group through a dedicated management system.

15.1.1.1. Climate risks

Climate risks are generally broken down into two main categories[3] :
Physical risk refers to the financial impacts of climate change (in particular, the proliferation of extreme climate events and gradual shifts in the climate) and of environmental damage (such as air, water and ground pollution, water stress, biodiversity loss and deforestation).
Transition risk refers to the financial loss that an institution may incur as a direct or indirect result of the process of adapting to a low-carbon economy.

The illustration below provides an overview of the factors involved in the transmission of climate risks to financial risks and reputational risk.

TRANSMISSION CHANNELS FROM MAIN CLIMATE RISKS TO OTHER RISKS

	EXAMPLES OF IMPACTS	OPERATIONAL RISK	MARKET RISK	CREDIT RISK	LIQUIDITY RISK	REPUTATIONAL RISK
PHYSICAL RISKS	*Inaccessibility / damage to assets*	✓				
	Decline in asset performance		✓	✓		
	Decline in real estate value		✓	✓	✓	
	Decline in household wealth			✓	✓	
TRANSITION RISKS	*Increase in legal costs*	✓		✓		✓
	Increased cost of compliance			✓		
	Decline in corporate profitability			✓		

[3] Definitions from ECB's *Guide on climate-related and environmental risks*

15.1.1.2. Risks related to biodiversity loss

Biodiversity is assessed by considering ecosystem, species and genetic diversity in space and time, as well as interactions within and between these levels of organization. Various concepts center around this notion of biodiversity and its benefits for society, namely natural capital and ecosystem services. Ecosystem services include all the goods and services that biodiversity provides to society and that are necessary for its functioning, such as the supply of water and natural resources, the regulation of erosion, climate, diseases, pollination, etc.

Financial risks related to biodiversity loss (or to nature) are the risks of negative effects on economies, financial institutions and companies resulting from physical and transition risks:

- **Physical risks**[4] refer to financial losses associated with damage caused by the decline in ecosystem services and biodiversity. These risks result from the degradation of nature and the loss of ecosystem services on which economic activities depend. The degradation or loss of certain ecosystem services may weaken the value chain and the business model of an activity or sector. That is why physical risk is assessed through dependence on ecosystem services.

- T**ransition risks**[4] refer to the financial losses associated with the transition efforts necessary to meet the society's expectations in terms of protecting, restoring and reducing biodiversity.The greater the gap between practices and expectations regarding the protection, restoration, and reduction of biodiversity erosion, the higher the transition risk. They can be driven by changes in regulations, policies, case law, investor sentiment, consumer preferences and technological innovations.

15.1.2. Social risks

According to regulations[5], social risk factors are defined as the set of social and societal issues that may negatively impact a company's financial situation in the short, medium, or long term.

There are many social factors. They may refer to human rights, the well-being and interests of people and communities, issues related to inequality, inclusiveness, labor relations, workplace health and safety, human capital, consumer protection and product liability.

Social and societal risks can take multiple forms and can arise in different ways. They can be:

- direct or indirect (if they arise in the company's own operations or in the value chain)
- endogenous or exogenous (if they arise from internal causes or external factors to the company)

Social and societal risks impact economic activities which, in turn, affect the financial system both directly and indirectly. They can therefore have impacts on other categories of risks within a banking institution (credit risk, operational risk, etc.) through transmission channels.

The illustration below presents a synthetic view of examples of these risks' transmission channels to financial risks.

[4] Definitions from the Taskforce on Nature-related Financial Disclosures (TNFD)
[5] CSRD Directive, EBA report on the management and supervision of ESG risks, and CRR regulation

Direct risks	Indirect risks
Endogenous risks	Endogenous risks
Exogenous risks	Exogenous risks

Examples of transmission channels	Operational risk	Strategic risk	Credit risk	Underwriting risk	Reputational risk
Decreased productivity	✓	✓	✓	✓	
Decreased profitability	✓	✓	✓	✓	
Higher costs related to process failures (legal, compliance)	✓		✓		✓
Staff shortages / disengagement	✓	✓	✓		
recruitment costs	✓	✓			
Impact on business development		✓			✓
Deterioration of image					✓

15.1.3. Governance risks

According to regulations[5], governance risk factors are defined as the set of issues related to measures, rules, decision-making bodies, information, and oversight that may negatively impact the financial situation of the company in the short, medium, or long term.

Governance risk factors cover governance practices, including management, executive compensation, internal audits and controls, tax fraud, board independence, shareholder rights, corruption, as well as the way in which entities integrate environmental and social factors into their policies and procedures. It should be noted that governance risk factors in the context of ESG risk factors do not refer to the governance arrangements of supervised institutions, but rather to the governance risk factors of counterparties and invested assets.

15.2. ESG risk governance

15.2.1. Role and involvement of governance bodies in the supervision and management of ESG risks

At Crédit Mutuel Arkéa, the framework,supervision and management of ESG risks are reviewed and approved at the highest level of the company’s governance.

15.2.1.1. Supervisory body

Crédit Mutuel Arkéa's Board of Directors is fully involved in the supervision of impacts, risks, and opportunities related to ESG issues. In carrying out its duties, it validates the strategic orientations, significant policies, and operations such as defining the risk appetite level.

An annual progress report on the implementation of the group's climate strategy commitments is presented to the Board of Directors, along with an assessment of advancements, as part of the monitoring of the group's medium-term plan.

The Board of Directors of Crédit Mutuel Arkéa has approved the incorporation of ESG risks into the risk appetite framework. Each year, the risk appetite framework is submitted for review by the Risk Supervision Committee, the Risk and Internal Control Committee, and the Executive Committee before being validated by the Board of Directors.

15.2.1.2. Effective managers

Crédit Mutuel Arkéa's Executive Committee is directly involved in the assessment and management of ESG risks and opportunities. Its main mission is to assist the Group's Executive Management with strategic governance. It recommends strategic policies to the Board of Directors and then oversees the implementation of the strategy approved by the Board and monitors the resulting risks.

Since 2020, members of Crédit Mutuel Arkéa's Board of Directors and Executive Committee have been regularly trained on ESG issues and risks such as:

- Issues and risks related to biodiversity loss (2022)
- Environmental issues and risks (2023)
- Impacts, risks, and opportunities related to sustainability - CSRD (2024)
- Diversity and inclusion (2024)"

15.2.1.3. Specialized committees

ESG risks are fully integrated into the group's risk management framework and validated by internal governance bodies. To define the group's strategic orientations and fulfill its oversight role regarding risks, the Board of Directors and the Executive Committee rely on the informed opinions of specialized committees. The consideration of ESG issues is formalized in the charter of each committee.

The establishment of this governance allows to:

- Facilitate the deployment of ESG risk management measures,
- Create the conditions for effective communication between ESG and financial risks,
- Monitor indicators that enable governance to manage ESG risks.

Committee Type	Committee Name	Missions Related to ESG Issues and Risks
Supervisory committees	Strategy and Societal Responsibility Committee (SSRC)	- Monitor the progress of the strategic project - Ensure the integration of sustainable finance at the core of the group's strategy
	Risk and Internal Control Committee (RICC)	- Assist the Board of Directors in its oversight responsibility for risks and the internal control system - Ensure the formulation of the group's risk appetite framework and monitor its compliance

Cross-functional executive committees	Executive Management Committee (EMC)	- Propose strategic orientations and commitments regarding sustainable finance - Ensure the proper execution of the relevant frameworks related to commitments and monitor progress
	Risk Monitoring Committee (RMC)	- Ensure good governance and consolidated management of the group's risks, including ESG risks
	Other committees including Counterparty Committee, Group Credit Committee, Referencing Committee,	- Strengthen the integration of ESG issues and risks within their scope of intervention

Since 2021, Crédit Mutuel Arkéa has strengthened its ESG/climate governance by appointing two lead directors to the SSRC and RICC.

The consideration of ESG issues by the governance bodies is also carried out at the level of the group's subsidiaries.

15.2.2. Adaptation of the organizational structure

In order to integrate the short-, medium- and long-term effects of ESG risks, Crédit Mutuel Arkéa optimized its organizational and operational structure in line with the changes made to its governance. Internal control and the monitoring of ESG risks are based on the three lines of defense model.

15.2.2.1. Integration of ESG risks into the first lines of defense

As the first lines of defense (LoD1), the business lines are responsible for taking into account and managing the ESG risks to which their activities are exposed. They consist of operational structures and teams, such as local bank networks, subsidiaries, and central departments. For example, ESG risks are taken into account in the loan origination policy, which involves business line operational controls at the above-mentioned structures.

Furthermore, the Sustainable Finance Division, created in early 2021, consists of the Sustainable Finance managers of the entities and the central Sustainable Finance team. It proposes framework policies related to sustainable finance and implements the associated action plans. This division allows for the sharing of knowledge regarding issues for better design or adaptation of proposed solutions, promotes synergies between entities, and builds common frameworks. The Sustainable Finance managers of the entities coordinate the implementation of the actions from the sustainable finance roadmap and climate strategy that apply to their entity and ensure regular communication with their governance. The central Sustainable Finance team, which includes fifteen people, reports to Crédit Mutuel Arkéa's General Secretariat Department.

15.2.2.2. Consideration of ESG Risks by Internal Control Functions (LoD2 and LoD3)

The internal control functions consist of:

- Risk Management Functions (RMF), Compliance function and ongoing control for the second line of defense (LoD2)
- Internal Audit for the third line of defense (LoD3)

● Risk Management Function (RMF)

The RMF is responsible for deploying the ESG risk management framework established by the Risk Department of Crédit Mutuel Arkéa. The ESG risk service, integrated into the Risk Department, is tasked with managing ESG risks and supporting Crédit Mutuel Arkéa's ambitions on the subject. It consists of 8 team members and has the following main missions:

- Identification, measurement, management, and monitoring of ESG risks;
- Integration of ESG risks into financial risks, dissemination of risk culture, and support for entities in their own integration.

The Risk Department has established a cross-functional organization, notably through the creation of a Steering Committee for ESG risks. ESG risk correspondents have been appointed in each subsidiary. They were involved in the establishment of the ESG risk appetite framework, which must be tailored to their entity. They maintain regular contact with the ESG risk service.

● Compliance function

The Compliance unit within the Compliance and Permanent Control Department is fully involved in integrating ESG risks into the management and monitoring of Crédit Mutuel Arkéa’s activities.

In this regard, the compliance framework policies now incorporate ESG risks into their analyses:

- the framework policy on prior approval by Compliance (e.g. analysis of ESG risks associated with the marketing of new products and projects);
- the framework policy on product governance and supervision which incorporates compliance with sustainability obligations and objectives;
- the obligations resulting from delegated directive 2021/1270 and delegated regulation 2021/1255 on sustainability risks added to the conflict of interest prevention and management policy;
- policies that apply to investment services which now incorporate sustainability factors into their analyses.

A permanent controller attached to the Permanent Control unit of the Compliance and Permanent Control Department, is dedicated to ESG risks and Sustainable finance topics. In this capacity, since 2023, several ESG and Sustainable Finance themes have been studied, leading to the creation of an effective control plan for 2024. The controls carried out in 2024 mainly concern sectoral policies, duty of vigilance, committee governance, ESG training, integration of ESG risks into group frameworks, etc. The periodic control committee ensures the quality of the permanent control framework covering all risks, including ESG, and also monitors the quality of compliance control frameworks (notably AML-CFT, ethics, and professional conduct, customer protection, etc.). Effective leaders and the supervisory body are regularly informed of the implementation of the permanent control plans, which include the ESG and Sustainable Finance risk control plan.

- Internal audit

The function of LoD3 (third line of defense), led by the General Inspection and Periodic Control Department (DIGCP), is conducted according to a risk-proportional approach. The multi-year periodic control plan thus includes annual interventions on the main risks related to the group's activities, developed based on a risk mapping specific to the DIGCP that incorporates ESG risks. In this context, an audit mission focusing on “Extra-financial reporting,” notably the “ESG Risks” theme of the group’s Pillar III report and Article 29 reports, and a mission on “Climate risk management” within a subsidiary have been integrated into the periodic control plan for the 2024 fiscal year. Furthermore, the internal auditors of the DIGCP are regularly trained on ESG risk controls.

15.2.2.3. Focus on social risks

Crédit Mutuel Arkéa has launched an internal project aimed at building a framework for managing social and societal risks. Following a review conducted in 2023, a governance structure has been established to involve all stakeholders in social issues. The project, led by the ESG Risk service, was initiated in April 2024. The Social and Societal Risks Steering Committee has met four times, in addition to 24 preparation workshops among various stakeholders (risks, human resources, finance, general secretariat, and institutional communication). This committee was established during the project phase. Starting in 2025, these topics will be fully integrated into the ESG Risks Steering Committee.

External resources have also been mobilized on social issues and risks through the engagement of a consulting firm to carry out the double materiality analysis required by the CSRD Directive.

15.2.3. Alignment of the compensation policy with the institution’s ESG risk objectives

The compensation policy of Crédit Mutuel Arkéa establishes the framework for the remuneration applicable to the Chief Executive Officer and the Deputy Chief Executive Officers of the group. It aims for a sound and effective management of risks, regardless of their nature (financial risks, operational risks, sustainability risks, etc.).

The criteria for determining the individual variable compensation of the executive corporate officers are set by Crédit Mutuel Arkéa’s Board of Directors based on the proposal of the Compensation Committee. They include a balance between financial criteria and extra-financial criteria, which refer to ESG issues for the Crédit Mutuel Arkéa group and the ‘company with a mission’ roadmap. The level of variable compensation depends on the observed performances and individual evaluations regarding the achievement of established objectives.

For the 2024 fiscal year, the variable compensation of the non-salaried executive corporate officers, namely the Chief Executive Officer and the Deputy Chief Executive Officer, is partially linked to indicators related to climate and sustainability, which together represent 20% of their variable compensation. These indicators are related to the objectives of the ‘company with a mission’ roadmap 2022/2024 and sustainable finance roadmap, including the continuation of the trajectory to reduce carbon footprint and climate impact.

For the main executives of the group, the inclusion of an indicator related to the objectives of the ‘company with a mission’ roadmap 2022/2024 and an indicator related to ESG risks in their variable compensation criteria has been validated by the group's executive committee.

These indicators are tailored to employees based on their respective entities to define relevant objectives.

For all employees (Economic and Social Unit scope), the profit-sharing agreement includes a criterion for increasing the amount related to a reduction in the Group's carbon footprint (direct footprint).

15.3. ESG risk strategy

15.3.1. Integration of ESG risks into the strategy and banking model

15.3.1.1. Integration into the business strategy

ESG issues and risks are fully integrated into the strategy of Crédit Mutuel Arkéa. To confirm its commitment to serving territories and future transitions, Crédit Mutuel Arkéa adopted its Raison d'être (Purpose) in 2020 and then became a company with a mission in 2022. The mission is organized around five statutory commitments that form the foundation of the long-term strategy. They set the ambition of Crédit Mutuel Arkéa to become an impact bank:

1. Make decisions aiming for a balanced approach between financial performance and positive societal and environmental impact, through the exercise of cooperative governance rooted in our territories.
2. Support each of our stakeholders in their environmental transition.
3. Develop territorial cooperation and commit to local vitality.
4. Commit to inclusion and cultivate a lasting relationship of trust with all our members and clients, from precursors to the most fragile
5. FPromote the commitment of our collective to the common interest by living our mutual values.

These commitments are translated into medium-term operational objectives through the 'company with a mission' roadmaps. In 2024, a new 'company with a mission' roadmap for 2027 was constructed and then validated by the Mission Committee in December 2024. These operational objectives, with annual milestones, will mobilize the group's entities to translate the mission into various business areas.

By the end of 2024, as part of its strategic project for 2030, Crédit Mutuel Arkéa also defined its new Sustainable Finance strategy. It outlines the priority sustainability issues that will collectively mobilize the group by 2030 while integrating into a longer-term vision of a just transition, namely:

- Mitigation and adaptation to climate change;
- Biodiversity and natural capital;
- Water and resources.

These priority sustainability issues will be supported by tailored action plans according to activities and targets. Among the main actions:

New climate targets for the banking portfolio for sectors where climate issues are material;

- Support for "solutions" for decarbonizing the economy;
- Financing adaptation solutions and supporting clients;
- Continuing the deployment of themed or impact savings funds and offers in favor of environmental transitions, including climate;
- Adoption of a group biodiversity strategy by the end of 2025;
- Definition of thematic policies for the preservation and/or restoration of natural resources;
- Definition of a group policy for water resource preservation.

The integration of ESG factors into Crédit Mutuel Arkéa's business model is exemplified in sectoral and thematic policies that formalize the group's commitment to supporting clients and stakeholders in sectors particularly affected by transitions (such as real estate, for example).
On the environmental side, a sectoral provision of €20.7 million was recorded as of December 31, 2024, aimed at covering climate risks not captured in the currently used models for credit risk.This provision is part of a process of continuous improvement of the calculation methodology, refined in 2024, in order to better understand the current financial effects of climate risks on Crédit Mutuel Arkéa’s financial position.

On the social side, Crédit Mutuel Arkéa's strategy regarding the development of human capital has been formalized within the strategic project "HR Transitions 2024." It particularly emphasizes the importance of what constitutes Crédit Mutuel Arkéa's greatest asset: its human capital.
In early 2024, Crédit Mutuel Arkéa also adopted its first human rights policy, which describes the integration of human rights issues into financial activities, the management of the group's human resources, and the procurement of products and services.
Certain categories of social risks (financial risks related to the workforce, risks related to clients) are taken into account in Crédit Mutuel Arkéa's financial situation, under operational risk, through regulatory capital requirements and proven claims (losses and provisions recorded) regarding social practices and business practices.
Moreover, social elements such as payroll projection assumptions and social liabilities (i.e., future commitments to employees such as retirement benefits) are integrated into Crédit Mutuel Arkéa's central financial trajectory, which contributes to strategic planning. Additional work dedicated to projecting social risks under stress scenarios and their integration into financial planning will continue in 2025.

Finally, in 2024, Crédit Mutuel Arkéa formalized and published a tax policy, restoring its current governance and functioning and the commitments it has made with regard to tax compliance, enabling it to contribute fully to the common interest and public finances through the payment of various taxes.

15.3.1.2. Adjustment of the business model

In keeping with its Raison d'être, Crédit Mutuel Arkéa’s business model is constantly being adjusted to take into account major social, societal and environmental issues.

The updating of Crédit Mutuel Arkéa's business model has required changes to the governance bodies, including their greater involvement in integrating ESG factors into the Group's strategy. At its entities and subsidiaries’ level, this updating takes the form of action plans, the “Transitions 2024” medium-term plan and sustainable finance action plans, with the specific characteristics of each business line also taken into account.

Adjustment of the business model is reflected in a number of commitments made pursuant to the Group’s company with a mission roadmap and sustainable finance roadmaps for 2024 and 2030. It is also illustrated by updates to the Group's risk management system to incorporate ESG risks and regulatory requirements and/or new industry standards (CSRD Directive, ECB, TNFD, etc.).

Supporting customers, stakeholders and local territories in social and societal transitions is a focal point of Crédit Mutuel Arkéa's business model. The Crédit Mutuel Arkéa group’s sustainability report (CSRD Directive) describes the way in which they are supported.

15.3.1.3. Changes in the business environment

Crédit Mutuel Arkéa contributes to the development and standardization of industry practices in an effort to promote the financial sector's awareness of sustainability issues. For instance, it has joined, or supports, several recognized initiatives, including the United Nations Global Compact, CDP, Net Zero Banking Alliance (NZBA), Principles for Responsible Banking, Finance for Biodiversity Pledge, FAIR, etc.

By supporting these initiatives, Crédit Mutuel Arkéa encourages all companies to be more transparent about the actions they take and to adjust their business model to incorporate ESG issues.

15.3.2. Objectives, targets and limits for assessing ESG risks

15.3.2.1. Definition process

Crédit Mutuel Arkéa's governance and executive bodies are fully involved in defining the objectives, targets and limits for assessing and managing ESG risks, particularly the following committees (see section 15.2.1.3):

- SSRC and EMC for objectives and targets
- RICC and RMC for limits

15.3.2.2. Objectives, targets and limits related to environmental risks

The Crédit Mutuel Arkéa group has adopted policies for sectors that are key to the transition to a low-carbon economy, in accordance with the goals of the Paris Agreement:

- Coal Policy with a target for complete exit from thermal coal by the end of 2027.
- Oil and Gas Policy with a target for the exit of players engaged in Unconventional Fossil Fuels (UFF) by the end of 2030, according to certain criteria.

The group also has other sectoral and thematic policies related to environmental issues (air transport, maritime transport, real estate financing, and Agriculture-Wine-Agri-food policy). These can be consulted on the website https://www.cm-arkea.com.

Crédit Mutuel Arkéa joined the Net Zero Banking Alliance (NZBA) in 2022 and has committed to aligning its investments and financing portfolios with the "net zero" target by 2050 and to setting an interim target for 2030, according to the alliance's guidelines.

Carbon intensity targets for 2030 have been set for several sectors (steel, cement, electricity production, air transport, maritime transport, residential real estate). The scopes, scenarios, and quantified objectives are detailed in section 15.6 (model 3: Alignment Parameters).

Regarding its own operations, Crédit Mutuel Arkéa has also committed, as part of its direct environmental trajectory, to reduce its greenhouse gas emissions by 25% between 2019 and 2024 (scopes 1, 2, and 3).

Concerning limits, the limit framework of the risk appetite incorporates several ESG risk indicators, including environmental ones, and their associated limits (see section 15.4.3.2.1).

15.3.2.3. Investment activities in support of environmental objectives and EU taxonomy-aligned activities

Crédit Mutuel Arkéa wishes to increase its positive environmental impact in order to contribute to the low-carbon transition. To this end, it has pledged to measure and increase the share of its green activities in its investment and financing operations. Tables 6 to 8 presented in section 15.6 detail Crédit Mutuel Arkéa's Green Asset Ratio. The tables only cover the first two objectives of the Taxonomy.

The Group has identified a number of opportunities linked to financing and investments in activities related to environmental goals (in addition to European taxonomy alignment):

- increase financing in support of the energy transition
- develop new financing solutions and products to help customers (individuals, companies, institutions) with their climate and environmental transition;
- create value by helping the portfolio companies have more awareness of climate issues;
- increase inflows from savings products that promote the climate and environmental transition.

These opportunities related to environmental goals are monitored by the Sustainable Finance function, with specific projects and indicators.

In 2022, as part of the company with a mission roadmap,the Group set environmental objectives for 2024:

- a target of €900 million in annual financing in support of the environmental transition,
  - → status at 12/31/2024: €1.138 billion (€1.1003 million at 12/31/2023)
- a target of €300 million in gross annual savings inflows for the environmental transition (products or products listed by manufacturers).
  - → status at 12/31/2024: €1.155 million (€689 million at 12/31/2023)

These objectives have been strengthened within the framework of the mission-driven company roadmap for 2027:

- An objective of €2.200 million in annual financing production for environmental transition by 2027
- An objective of €1.560 million in gross annual savings collection for environmental transition by 2027.

Furthermore, through its subsidiaries, Crédit Mutuel Arkéa is actively involved in supporting the development of activities aligned with the EU taxonomy. Within Arkéa Banque Entreprises et Institutionnels, the Environmental Transition division aims to accelerate and structure the development of local financing related to renewable energy projects, renovation, and energy efficiency. The division is conducting an analysis of the alignment of funded projects with the taxonomy.

15.3.2.4. Objectives, targets and limits related to social risks

Negative social impacts affecting the group's stakeholders (e.g., employees, clients, etc.) can manifest as financial risks for the group. While work on the financial quantification of social risks continues, Crédit Mutuel Arkéa already has objectives addressing social issues.

As part of the company with a mission roadmap, the Group has set the following social objectives for 2024:

- an annual meeting rate for financially vulnerable persons > 60%
  - → status at 12/31/2024: 70.6% (60.3% at 12/31/2023)
- a target of maintaining the level of the workplace equality index
  - → status at 12/31/2024: 93.9 (92.4 at 12/31/2023)
- a target of +0.5 pt every year for the rate of Group employees with disabilities

→ status at 12/31/2024: 4.45% (3.99% at 12/31/2023)

New objectives and actions in favor of social issues have been established in the mission-driven company roadmap for 2027, focusing on both clients (banking inclusion, customer experience, etc.) and employees (professional equality index, mobility).

Regarding limits, since 2023, the limit framework of the risk appetite includes an indicator related to social risks: the professional equality index. Indeed, in the event of non-publication or an index below regulatory thresholds, the group is exposed to legal financial risks (financial penalties) and reputational risks.

15.4. Integration of ESG risks

15.4.1. Identification of ESG risks

Crédit Mutuel Arkéa ensures compliance with regulatory requirements and takes into account the recommendations and publications of European and national supervisors (ACPR, EBA, ECB) to identify, measure and manage ESG risks.

To structure the integration of climate risks into its organization and risk management, Crédit Mutuel Arkéa refers to the TCFD (Taskforce on Climate-related Financial Disclosures) and TNFD (Taskforce on Nature-related Financial Disclosures). The ECB guidance on climate-related and environmental risks and the EBA report on management and supervision of ESG risks and CSRD Directive are also reference texts. For all ESG risks, Crédit Mutuel Arkéa uses the definitions provided in these texts.

The identification of ESG factors and risks also requires close monitoring of current events and relevant regulations. A team within the Risk Department is responsible for regulatory watch, including regulations related to ESG risks. In addition, a Sustainable Finance Policy committee created by the Legal Department meets regularly to analyze ESG regulatory developments.

15.4.1.1. ESG risk mapping

Environmental, social and governance risks have been integrated into Crédit Mutuel Arkéa's risk mapping according to the main risk factors:

- Transition climate risks;
- Physical climate risks;
- Transition biodiversity loss risks;
- Physical biodiversity loss risks;
- Direct social risks;
- Indirect social risks;
- Direct governance risks;
- Indirect governance risks.

Environmental risks have been valued on an internal classification scale (from 1 to 5) based on a current assessment and a three-year forward-looking perspective. Social and governance risks will be rated at a later stage.

15.4.1.2. ESG risk materiality and link to financial risks

15.4.1.2.1 Environmental risks

Understanding the extent of risks and how they transmit to the financial system (financial risks affected through transmission channels) helps Crédit Mutuel Arkéa identify and assess sustainability risks.

To grasp the potential impact of climate risks on other banking risks, Crédit Mutuel Arkéa has developed a climate risk materiality matrix. This materiality matrix aims to propose an appropriate detection and measurement process to evaluate the significance of climate-related risks that weigh on its activities over different time horizons (short, medium, and long term). It is based on a thorough analysis of risks and their propagation to the main banking and financial risks through transmission channels, with the goal of identifying the most material risks.

Risk ratings are evaluated using a simple scoring system (+/++/+++ = low/medium/high), based on a risk matrix combining the probability of occurrence and severity (potential financial impact). These ratings are based on a set of quantitative and qualitative studies.

ESG risks, particularly environmental ones, have a different temporal aspect compared to financial risks, with the materialization of risks occurring over different and longer horizons than strategic planning. Unable to fit into the distant time horizon specific to ESG risks, Crédit Mutuel Arkéa has defined its short, medium, and long-term horizons based on their relevance concerning environmental issues and in consideration of its strategy, business model, and risk profile. Thus, the short-term horizon is less than 3 years, the medium-term is between 3 and 10 years, and the long-term is more than 10 years.

The materiality matrix makes a distinction between the impact of physical risks and the impact of transition risks, treating them independently, based on two scenarios:

- the IPCC's RCP 8.5 scenario for physical risk, which shows a pessimistic trend in greenhouse gas emissions and climate change.
- the NGFS' orderly transition scenario for transition risk.

CRÉDIT MUTUEL ARKÉA CONSOLIDATED MATERIALITY MATRIX

	Physical risk			Transition risk		
Risk category / Horizon	Short-term < 3 years	Medium-term 3-10 years	Long-term > 10 years	Short-term < 3 years	Medium-term 3-10 years	Long-term > 10 years
Credit risks	+	++	+++	+	+++	++
Operational risks	+	++	+++	+	++	++
Market risks	+	++	++	+	++	++
Interest rate risks	+	+	+	+	+	+
Liquidity risks	+	+	+	+	+	+
Conglomerate insurance risks	++	++	++	+	++	++
Equity and portfolio company risks	+	+	+	+	+	+
Strategic and business risks	+	+	++	++	+++	+++

Four material risks related to climate change (+++) have been identified:

Physical Risk:

- Credit risks associated with the decline in the value of financed/collateralized assets and potential failures of companies significantly impacted by climate-related events (long term).
- Operational risks, particularly damage to tangible assets such as Crédit Mutuel Arkéa's operational real estate (long term).

Transition Risk:

- Credit risks related to potential failures of the most greenhouse gas-emitting companies exposed to transition risk (medium term).
- Strategic and business risks associated with regulations dedicated to the transition (medium term, long term).

Crédit Mutuel Arkéa has also developed a materiality matrix for biodiversity loss risks, which is based on the same methodological approach. In the absence of quantitative scenarios for biodiversity loss risks to date, Crédit Mutuel Arkéa uses the qualitative scenarios proposed by the TNFD for risk projection.

MATERIALITY MATRIX USED BY CRÉDIT MUTUEL ARKÉA TO ASSESS ITS BIODIVERSITY LOSS RISKS

	Physical risk related to biodiversity			Transition risk related to biodiversity		
Risk category / Horizon	Short-term < 3 years	Medium term 3-10 years	Long-term > 10 years	Short-term < 3 years	Medium term 3-10 years	Long-term > 10 years
Credit risks	+	+	++	+	+++	++
Operational risks	+	++	++	+	++	++
Strategic and business risks	+	+	++	+	+++	++
Insurance risks of the conglomerate	+	++	++	+	++	++

Two material risks related to biodiversity loss (+++) concerning transition risk have been identified:

- Credit risks related to potential failures of companies facing transition risks regarding biodiversity loss (medium term).
- Strategic and business risks related to transition risks concerning biodiversity loss (medium term).

In 2024, three new risk matrices were developed to identify and assess risks related to pollution, water and marine resources, and the circular economy and resource utilization. The materiality matrices are an integral part of the process of identifying and assessing material risks concerning sustainability issues (double materiality analysis of the CSRD).

15.4.1.2.2 Social and governance risks

In 2024, as part of the CSRD Directive and the internal project dedicated to social and societal risks, the group established a framework for identifying and assessing social risks. Similar to the work conducted on climate and environmental risks, this framework is also based on a thorough analysis of social, societal, and governance risks and their propagation to financial risks through transmission channels.

In line with environmental risks, risk ratings are also evaluated using a simple scoring system (+/++/+++), based on a risk matrix that combines the probability of occurrence and severity.

The assessment of social and governance risks relies on a methodological approach that is relatively similar to that of environmental risks. However, the absence of dedicated market scenarios for social and governance risks has prevented a comprehensive approach regarding the short, medium, and long-term time horizons. Consequently, no distinction was made in terms of temporality during the identification and assessment phases of risk materiality. In a continuous improvement approach, studies will be conducted in 2025 to deepen the forward-looking dimension.

The materiality analysis reveals that, in the social dimension, the negative impacts related to social issues for stakeholders (employees, clients, suppliers, etc.) can generate financial risks for Crédit Mutuel Arkéa. According to the financial materiality analysis, the material risks are primarily concentrated on Crédit Mutuel Arkéa's own workforce and consequently impact operational risks. They are related to physical and psychosocial risks affecting employees, as well as inadequacies or failures in internal policies (regarding compensation, social dialogue, discrimination, etc.). Regarding risks concentrated in the value chain, specifically clients, risks related to potentially insufficient or failing protection of clients' personal data have been identified.

On the governance side, material risks are linked to potential inadequate or failing organization regarding whistleblower protection and corruption.

15.4.2. ESG risk measurement

Crédit Mutuel Arkéa has developed various processes to identify and assess activities and exposures that are sensitive and vulnerable to ESG risks. The methodologies used are mainly based on impact modeling (stress test) and exposure to ESG risks (via sectoral and geographical approaches and an assessment of counterparties' ESG risks). Several metrics are monitored within the risk frameworks (risk mapping, risk appetite framework, and risk dashboard).

15.4.2.1. Processes and tools for measuring environmental and climate risks

- **Sectoral approach**

In a context where understanding exposure to environmental risks is complex, and where external analysis standards are insufficiently detailed and sometimes contradictory, Crédit Mutuel Arkéa has identified the need to create a sector reference framework for exposure to environmental risks. This reference framework is currently used to manage credit and counterparty risks to measure the proportion of outstanding loans at risk.

It classifies sectors' exposures to climate risks (physical and transition) and biodiversity loss risks based on a three-degree scale (low, medium, high).

- **Geographical approach**

Crédit Mutuel Arkéa has developed a tool (see section 15.6 "model 5") for the assessment and geographic measurement of physical climate risks at the municipality level (granularity: postal code) for mainland France which covers the 12 acute and chronic climate-related hazards. This tool is used to measure exposure to physical climate risks and to identify the proportion of the most risky assets for:

- real estate financed and pledged as collateral (residential and commercial)
- business counterparties (assessment limited to the company's registered office)
- Crédit Mutuel Arkéa's real estate assets (own buildings)

- **Sectoral and thematic policies and trajectories**

The monitoring of sectoral and thematic policies (see section 15.3.2.2) allows for measuring the group's exposure to sectors with significant environmental and social stakes.

The alignment trajectories (see section 15.6 "model 3") help identify assets and economic activities that are difficult to reconcile with a transition to a climate-neutral economy and implement actions to support stakeholders in these sectors during their transition.

- **Scenario approach**

In parallel with the supervisors' stress tests (ACPR, EBA, then ECB in 2022), Crédit Mutuel Arkéa's Risk Department and Financial Markets Department carried out a project dedicated to climate scenarios aimed at developing a proprietary stress testing methodology. Through preliminary modeling work, the goal is to translate recognized climate scenarios (IPCC, NGFS, IEA, etc.) into macroeconomic and financial indicators and, ultimately, into impacts on the activities and resilience of Crédit Mutuel Arkéa's business model.

To test the tool and prepare for future stress testing exercises, the group launched an internal climate stress test proof of concept (POC) in 2024 in collaboration with its Risk division. The internal climate stress test was successful and demonstrated the feasibility for Crédit Mutuel Arkéa to integrate climate risks into the stress tests for credit risks, market risks, and participation risks using climate scenarios.

15.4.2.2. Processes and tools for measuring ESG risks

Crédit Mutuel Arkéa has implemented or acquired several processes and tools aimed at identifying and assessing ESG risks:

- **ESG risk scores for business customers**

In its corporate lending activities, Crédit Mutuel Arkéa implements an ESG risk rating system at the time of credit granting and during the monitoring of loans. This system is based on a questionnaire designed to collect ESG risk data from borrowing companies with more than €10 million in revenue in order to determine their ESG risk rating. It specifically aims to evaluate the measures taken by companies to mitigate the ESG risks to which they are exposed due to their industry sector. In 2024, the questionnaire covers:

- 5 environmental factors (physical and transition climate risks, biodiversity, water resource management, and the circular economy)
- 2 social factors (employee health & safety and human rights, product compliance)
- 3 governance factors (business ethics, supplier relationships, and risk management)

The ESG risk score is integrated into the origination process, formalized in the credit decision and taken into account in the pricing.

- **Sustainability risk scores for market counterparties**

As part of market activities, companies are monitored by Crédit Mutuel Arkéa's Counterparties Committee. They are subject to a sustainability risk analysis and a controversy analysis. This non-financial data is provided by the Sustainalytics ratings agency. The sustainability risk score takes into account a company's exposure to ESG risks due to its business sector and the measures it has implemented to mitigate them.

The sustainability risk score consists of various ESG analysis criteria. The social and governance factors specifically requested by the regulator are an integral part of the sustainability risk score, as illustrated in the table below:

		Social criteria of ESG Risk Rating						Governance criteria of ESG Risk Rating				
		Access to basic services	Community Relations	Human Rights	Occupational Health and Safety	Product Governance	Human Capital	Corporate Governance	Bribery and orruption	Business Ethics	Data privacy and security	ESG Integration
Social	Activities towards the community and society	✓	✓									
	Employee relationships and labour standards				✓		✓					
	Customer protection and product responsibility					✓						
	Human rights			✓								
Governance	Ethical considerations								✓	✓		
	Strategy and risk management							✓			✓	
	Inclusiveness						✓					
	Transparency						✓			✓		
	Management of conflict of interest									✓		
	Internal communication on critical concerns							✓				

The analysis domain titled "Corporate Governance" specifically evaluates the role of the highest governance body responsible for approving the sustainability report and ESG topics. The governance of ESG factors is thus taken into account in the sustainability assessment of market counterparties.

The analysis domain titled "Business Ethics" evaluates the policies implemented regarding business conduct, mechanisms for preventing and detecting corruption, accounting and tax practices, anti-competitive practices, lobbying practices, and any potential sanctions.

The ESG assessments of market counterparties are conducted by the group's ESG analysts, based on, among other things, the data provided by Sustainalytics, and are presented for review to the Counterparties Committee.

- **Internal Rating System (IRS)**

Crédit Mutuel Arkéa's IRS includes an assessment of counterparties' governance practices, particularly focusing on the level of expertise and stability of management, its attitude towards risk in financial strategy, its ability to respond to market uncertainties, and the means of risk management and control.

The SNI allows for rating each counterparty. It provides an indication of a counterparty's risk profile and measures its probability of default. It contributes to the determination of decision-making powers during credit granting and is included in the calculation of Crédit Mutuel Arkéa's capital requirements and provisions.

- **Vigilance plan**

In accordance with the French Duty of Care law requirements, as part of the vigilance plan regarding serious negative impacts on human rights and fundamental freedoms, health and safety, and the environment, monitoring indicators are regularly tracked, and an implementation report is published annually.

- **Mapping of risks of serious harm to "human rights" by country** rédit Mutuel Arkéa has developed a mapping of negative impacts on human rights within the framework of its financing and investment activities, which is now used in the context of the CSRD double materiality analysis.

15.4.2.3. Data availability, quality and accuracy

Addressing the lack of non-financial data is a major challenge for identifying, assessing and managing ESG risks. To remedy the lack and quality of ESG data, Crédit Mutuel Arkéa has adopted a cross-cutting and coordinated strategy.

Internally, the Non-Financial Data Program (NFDP) has been in place at Crédit Mutuel Arkéa since 2021. Its aim is to ensure the governance of ESG data and centralize its management in order to pool the requirements (collection, storage, etc.) of the various departments, divisions or entities and coordinate projects. For example, under the NFDP the collection of data regarding (Energy Performance Certificate) EPCs was strengthened.

The Group may use approximation methods, in which case a methodology note outlines the limits and biases of the approach used. Despite the collection efforts, the lack of data will persist to some extent in the coming years. The use of estimation approaches will therefore remain significant for Crédit Mutuel Arkéa, which has enlisted the services of ESG data providers.

Crédit Mutuel Arkéa has developed capacities and skills within its project management to facilitate ESG data issues. Some employees are specifically assigned to ESG data in order to improve their collection and structure within Crédit Mutuel Arkéa's information system.

Many efforts are also being made to improve data aspects, particularly through the inclusion of climate data in the BCBS 239 project and participation in industry-wide projects.

15.4.3. ESG risk management

15.4.3.1. Risk appetite framework

ESG risk management is based on the ESG risk appetite statement and the integration of these risks into the risk appetite framework.

The purpose of the risk appetite framework is to measure and limit the Crédit Mutuel Arkéa group's risk in relation to ESG issues and therefore to formalize its intrinsic risk appetite level. ESG risks are gradually being integrated into it.

The risk appetite framework is the cornerstone of risk management and is formalized in two documents:

- **The risk appetite statement**, which describes the Group's appetite for each of the risks it faces.
- **The limit system** for managing these risks.

15.4.3.1.1. Risk appetite statement

ESG risks were included in the risk appetite statement, which was approved in 2020 by Crédit Mutuel Arkéa's Board of Directors.

Crédit Mutuel Arkéa's ESG risk appetite principles are as follows:

- ensuring that risk-taking is in line with the commitments made through the Group's Raison d'être, the company with a mission status and climate strategy;
- gradually integrating ESG risks and their transmission mechanisms to other types of risk (mainly credit risk) into the processes;
- taking into account the impacts of climate risks, in particular by monitoring exposures by ESG rating, by sector (according to their sensitivity to physical risk and transition risk) and by geographic location;
- controlling the carbon footprint generated by the conglomerate's activities.

15.4.3.1.2. The limit system

Since 2021, the risk appetite statement has been gradually supplemented by quantitative indicators developed for monitoring ESG risks through the limit system.

The ESG risk indicators integrated into the risk appetite framework enable informed management of ESG risk-taking, its evolution, and anticipation. These indicators are shared quarterly with the Risk Oversight Committee. Internal thresholds and limits are defined for each indicator. For example, regarding social risk, for the indicator "professional equality index," the limit is based on the minimum regulatory threshold (75/100).

In the event that thresholds are reached, alerts are generated to provide the necessary time to initiate actions that will prevent exceeding the limits. Generally, when a limit approved by the Board of Directors is exceeded, the information is immediately communicated to the relevant committees of the executive body (ad hoc committee by type of risk and Executive Committee) and the supervisory body (RICC and Board of Directors), accompanied by an action plan to return to the risk appetite zone.

The table below lists all the ESG risk indicators of Crédit Mutuel Arkéa's 2023 limit system:

Environmental risks
Direct risks
Transition risk
The carbon footprint of the conglomerate's activities (scope 1, 2 and partial 3)
Physical risk
Operating real estate exposed to a high acute physical risk not covered by a business continuity plan
Indirect risks
Transition risk
Investments and financing in companies in the coal sector
Investments and financing in companies in the oil and gas sectors
Sectoral exposure to transition climate risk
Exposures to top 20 carbon-intensive firms
Financed emissions from high-carbon intensity sectors (NACE sections A, C, and F)
Share of EPC's label F and G
Physical risk
Sectoral exposure to physical climate risk
Geographical exposure to acute physical risks
Geographical exposure to chronic physical risks
Social risks
Direct risks
Workplace equality index

Indirect risks
Investments and financing in companies in tobacco sector
ESG risks
Indirect risks
Companies rated E for ESG
Sustainability risk scores

15.4.3.2. Environmental risk management policy

In order to structure environmental risk management, the Risk Department has established an internal environmental risk management policy (PGRE) which supplements the pre-existing internal policies by type of risk and aims to:

- Present the general framework and context of environmental risks (definitions, stakes, regulatory framework);
- Organize risk management, particularly in terms of governance;
- Identify, measure, frame, and monitor risks;
- Communicate about the risks.

The understanding and management of environmental risks are documented so as to reflect the Group's commitments and how its environmental and climate strategy applies to risk.

The environmental risk management policy is gradually incorporating ESG risks and is reviewed at least annually. Policies for other types of risk (credit, operational, liquidity, market) are being enhanced and gradually taking these issues into account, thus contributing to ESG risk management.

The various Crédit Mutuel Arkéa group entities also implement the environmental risk management policy developed by the Risk Department by adapting it at their own level.

15.4.3.3. Social risk management policy

In 2024, Crédit Mutuel Arkéa developed a Social and Societal Risk Management Policy (PGRS). It was created following dedicated work on social risks and submitted for review to the Social Risk Steering Committee for validation in January 2025 by the Risk Monitoring Committee (RMC).

15.4.3.4. Estimated impact of environmental risk on the capital and liquidity risk profile (ICAAP and ILAAP)

The adequate coverage of climate risks by an appropriate level of capital is studied within the framework of the internal capital adequacy assessment process (ICAAP), during which the work quantified the impact of physical and transition risks on the income statement.

For transition risk, climate assumptions have been directly integrated into economic variables (GDP growth, inflation, sector spreads, etc.) of a central normative and stressed scenario (impacting notably credit, market, and insurance risks). For physical risk, stresses related to climate hazards have been specifically applied in an ad hoc scenario impacting credit, operational, and property insurance risks. These risks materialize successively in 2025, 2026, and 2027 through the occurrence of various climate hazards.

The implemented analysis concludes that transition climate risk is already effectively taken into account in the economic allocations for credit risk, insurance risk, and operational risk. As for physical climate risk, only a material impact on credit risk is to be reported (through the increase in risk costs that deteriorates net income). In conclusion, the amount of economic capital needed to cover climate risks is insignificant compared to other banking risks.

Regarding the impact of environmental risk on potential liquidity needs (ILAAP), a qualitative analysis of the transmission channels of physical and transition climate risks has been conducted. Unlike physical risk (which does not seem to pose a real short-term liquidity risk), transition risk in the medium to long term (>10 years) must be taken into account as early as possible in banks' refinancing strategy and diversification of liquidity sources. Although limited by its non-critical nature (minimal risk of significant and rapid liquidity outflow in the short term) and its slow and gradual occurrence (thus allowing institutions time to adjust their business practices), it still represents an important issue for banks from regulatory, competitive, and reputational perspectives. Nevertheless, the implemented analysis concludes that there is no need for additional liquidity cushions for climate risks for Crédit Mutuel Arkéa.

The process is progressively being expanded by advancements in the methodologies for analyzing ESG risk factors and their interactions with traditional risks.

15.4.3.5. Activities, commitments and exposures that contribute to mitigating ESG risks

To mitigate risks, Crédit Mutuel Arkéa has defined, as previously mentioned, limits on various ESG indicators aimed at managing ESG risk-taking, its evolution, and its mitigation.

The group's commitment to adopting low-carbon alignment trajectories for its financing by 2030 and the establishment of quantitative carbon intensity targets for certain sectors support the implementation of decarbonization strategies and also contribute, through induced effects, to the mitigation of climate risks for Crédit Mutuel Arkéa.

In general, Crédit Mutuel Arkéa is committed to strengthening the financial and non-financial support tools for its stakeholders, particularly through monitoring and engaging with companies in the most emissions-intensive sectors so that they set greenhouse gas emission reduction targets, thereby contributing to the mitigation of climate risks. Furthermore, the Pact Trajectoire ESG loan provides for a reduction in the interest rate of loans once the client's ESG objectives are met. This system aims to support each client in their environmental and societal transition and to reward, through lower credit costs, the mitigation measures they implement. Arkéa Bank for Businesses and Institutions (ABEI) is also deploying an enhanced approach to raising awareness and supporting its clients regarding sustainability issues. The Pact Carbon loan also allows voluntary clients to benefit from a carbon assessment and an interest rate bonus based on their carbon intensity reduction.

The ESG risk rating system for corporate clients, mentioned earlier, aims to assess their sectoral exposure to ESG risks and the mitigation measures they have deployed.

Regarding social risks, the negative impacts affecting the group's stakeholders (e.g., employees, clients, etc.) can materialize as financial risks for the group. The numerous initiatives implemented by Crédit Mutuel Arkéa help mitigate negative social impacts and ultimately social risks.

Thus, in addition to the regulatory measures in place, Crédit Mutuel Arkéa deploys specific actions to limit potential negative social impacts in the context of Human Resources management, such as promoting inclusion and diversity, reducing workplace stress, and preventing harassment, among others. These actions include:

- Establishment of a dedicated Inclusion and Prevention team
- Implementation of various initiatives (Moka.care, SSIO, etc.)
- Creation of a network of "Well-Being" advocates
- Deployment of awareness-raising actions and specific programs
- Implementation of a whistleblowing tool
- Conducting an internal assessment on diversity and inclusion
- Signing company agreements

On the client side, Crédit Mutuel Arkéa integrates measures to control negative social impacts within the development and marketing of its products and services, ensuring compliance with customer protection rules. Additionally, the group has dedicated policies and various measures concerning security and the protection of personal data.

Finally, the group acknowledges and adheres to international principles and standards regarding human rights and has deployed a vigilance plan concerning serious negative impacts related to human rights and fundamental freedoms, health/safety, and the environment. The plan is structured into three parts: its potential negative impacts as a company, as a contracting authority in its relationships with suppliers and service providers, and the potential negative impacts related to its financial activities (financed or invested companies). An annual assessment of potential impacts is conducted. The group's contracts with suppliers and service providers include a code of conduct and clauses regarding compliance with labor law and the fight against corruption.

15.4.4. Reporting

By producing a quarterly risk dashboard that includes ESG risks, Crédit Mutuel Arkéa's Risk Department is able to:

- inform the governance bodies of the risks incurred and monitor the level of risk taken;
- classify Crédit Mutuel Arkéa's strategic commitments as risks, including its climate strategy and sector policies.

All the ESG risk indicators in the risk appetite framework presented above (i.e. 11 environmental indicators, 2 social indicators, and 2 ESG indicators) are monitored via the ESG risk dashboard. They are supplemented by other relevant ESG indicators such as sectoral exposure to biodiversity loss risk. The risk dashboard is made available to its management body (Risk Monitoring Committee, Executive Committee and Risk and Internal Control Committee) and sent to the European Central Bank.

In addition, to comply with regulatory requirements or as part of the Group's public commitments to a sustainable economy, Crédit Mutuel Arkéa publishes various documents on its website, including:

- the sustainability report (CSRD Directive), replacing the non-financial performance statement, which aims to describe the company's impacts on the environment and society, as well as how sustainability issues (ESG) affect the company. This report includes the annual report on the vigilance plan;
- the NZBA 2024 report, which presents the first commitments of the low-carbon alignment trajectory by 2030. The new commitments are now integrated into the sustainability report;

- The annual mission report, which presents the quality of Crédit Mutuel Arkéa as a mission-driven company, its mission committee, its roadmap, and the annual results of the established objectives;

Lastly, the various alert mechanisms in place at the Crédit Mutuel Arkéa group include reporting processes (procedure regarding risks of serious harm to health and safety, human rights and the environment, policy on the prevention of psychological or sexual harassment and sexist behavior, and whistleblowing).

More specifically, for employee-related social risks, each year Crédit Mutuel Arkéa's Human Resources department prepares:

- a **company audit** for the Arkade UES scope in order to present and analyze data related to employment, compensation, health and safety conditions, working conditions and professional relations;
- a **single occupational risk assessment document.**

15.5. Quantitative information

Table 51 (Template 1): Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity

Sector/subsector	Gross carrying amount					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
As at 12.31.2024 In € thousands		Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with Article 12(1) points (d) to (g) and Article 12(2) of Regulation (EU) 2020/1818	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures
Exposures towards sectors that highly contribute to climate change*	**22,127,232**	**97,204**	**230,814**	**2,774,113**	**827,569**	**-624,531**	**-133,070**	**-419,729**
A - Agriculture, forestry and fishing	2,419,390		0	483,477	149,081	-120,897	-27,411	-86,690
B - Mining and quarrying	20,284		0	6,306	380	-703	-410	-226
B.05 - Mining of coal and lignite	-		-	-		-	-	-
B.06 - Extraction of crude petroleum and natural gas	976		-	975		-58	-58	-
B.07 - Mining of metal ores	-		-	-		-	-	-
B.08 - Other mining and quarrying	17,851		0	5,331	380	-641	-352	-226
B.09 - Mining support service activities	1,457		-	-		-4	-	-
C - Manufacturing	1,520,316	1,277	2,326	172,349	143,744	-85,163	-10,428	-69,426
C.10 - Manufacture of food products	415,019		-	47,667	34,044	-20,999	-2,492	-17,378
C.11 - Manufacture of beverages	94,513		-	28,406	1,646	-3,569	-2,585	-593
C.12 - Manufacture of tobacco products	-		-	-	-	-	-	-
C.13 - Manufacture of textiles	8,074		-	1,124	77	-91	-36	-25
C.14 - Manufacture of wearing apparel	82,190		-	2,011	1,367	-1,299	-31	-1,152
C.15 - Manufacture of leather and related products	620		-	48	77	-74	-5	-63
C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	26,914		-	3,373	12,833	-10,374	-129	-9,960
C.17 - Manufacture of paper and paper products	25,175		-	2,046	1,728	-919	-101	-752
C.18 - Printing and reproduction of recorded media	22,875		-	3,266	1,124	-616	-62	-494
C.19 - Manufacture of coke and refined petroleum products	-		-	-	-	-	-	-
C.20 - Manufacture of chemicals and chemical products	36,601	610	301	8,286	1,774	-1,708	-650	-726
C.21 - Manufacture of basic pharmaceutical products and pharmaceutical preparations	21,701		-	665	-	-750	-1	-
C.22 - Manufacture of rubber products	98,264		-	7,389	586	-312	-127	-100
C.23 - Manufacture of other non-metallic mineral products	59,213		1	9,186	1,702	-2,692	-965	-1,613
C.24 - Manufacture of basic metals	14,103		-	4,871	3,621	-620	-238	-334
C.25 - Manufacture of fabricated metal products, except machinery and equipment	268,419	1	-	11,190	31,597	-6,483	-296	-5,890
C.26 - Manufacture of computer, electronic and optical products	46,589		709	5,622	1,141	-1,021	-204	-693
C.27 - Manufacture of electrical equipment	9,873	653	346	1,875	338	-565	-5	-325
C.28 - Manufacture of machinery and equipment n.e.c.	103,993		969	18,877	26,681	-26,089	-2,000	-23,756
C.29 - Manufacture of motor vehicles, trailers and semi-trailers	22,110		-	1,686	546	-639	-13	-137
C.30 - Manufacture of other transport equipment	79,824		-	3,138	18,916	-3,493	-59	-3,294
C.31 - Manufacture of furniture	11,595		-	2,161	1,208	-842	-81	-718
C.32 - Other manufacturing	31,764		-	3,393	863	-699	-94	-459
C.33 - Repair and installation of machinery and equipment	40,887	13	-	6,069	1,875	-1,309	-254	-964
D - Electricity, gas, steam and air conditioning supply	858,741	92,593	51,217	64,277	19,724	-24,457	-4,761	-17,216
D35.1 - Electric power generation, transmission and distribution	693,299	57,809	40,629	47,966	19,724	-22,703	-3,809	-17,216
D35.11 - Production of electricity	665,296	57,809	27,644	47,903	19,724	-22,612	-3,799	-17,216
D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	99,790	24,883	8,807	11,839	-	-1,207	-592	-
D35.3 - Steam and air conditioning supply	65,652	9,901	1,782	4,472	-	-547	-360	-
E - Water supply; sewerage, waste management and remediation activities	307,540	2,849	15,558	9,434	3,910	-3,072	-460	-2,117
F - Construction	1,702,909	88	9,756	246,475	79,826	-66,567	-10,081	-45,600
F.41 - Construction of buildings	1,156,555		9,368	161,976	44,322	-42,840	-6,603	-28,771
F.42 - Civil engineering	245,292		74	32,605	2,700	-5,131	-1,683	-878
F.43 - Specialised construction activities	301,062	88	314	51,894	32,804	-18,596	-1,795	-15,951
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	2,502,123	390	17	301,814	161,924	-113,117	-12,390	-89,721
H - Transportation and storage	802,414		99,273	77,671	18,302	-12,290	-2,989	-7,381
H.49 - Land transport and transport via pipelines	246,904		6	40,245	11,740	-6,869	-1,783	-4,098
H.50 - Water transport	96,571		-	20,046	5,066	-3,263	-487	-2,463
H.51 - Air transport	5,114		-	-	-	-49	-	-
H.52 - Warehousing and support activities for transportation	453,596		99,268	17,380	1,338	-1,983	-719	-712
H.53 - Postal and courier activities	229		-	-	158	-126	-	-108
I - Accommodation and food service activities	682,150		-	114,474	62,556	-42,299	-6,643	-32,868
L - Real estate activities	11,311,365	7	52,666	1,297,836	188,122	-155,966	-57,497	-68,484
Exposures towards sectors other than those that highly contribute to climate change*	**9,232,941**	**1,020**	**109,923**	**1,031,350**	**310,117**	**-225,896**	**-56,358**	**-130,130**
K - Financial and insurance activities	2,463,341		15,366	282,749	40,945	-50,981	-20,785	-19,886
Exposures to other sectors (NACE codes J, M - U)	6,769,600	1,020	94,558	748,601	269,172	-174,915	-35,573	-110,244
TOTAL	**31,360,173**	**98,224**	**340,738**	**3,805,463**	**1,137,686**	**-850,427**	**-189,428**	**-549,859**

Sector/subsector As at 12.31.2024 In € thousands	GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)	Of which Scope 3 financed emissions	GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
Exposures towards sectors that highly contribute to climate change*	**7,128,155**	**3,637,596**	**3.08%**	**8,336,723**	**4,872,883**	**6,878,357**	**2,039,269**	**9**
A - Agriculture, forestry and fishing	3,325,206	941,812	0.85%	861,392	930,508	618,918	8,572	8
B - Mining and quarrying	18,430	7,138	7.49%	10,153	8,000	2,131		6
B.05 - Mining of coal and lignite	-	-	0.00%	-	-			-
B.06 - Extraction of crude petroleum and natural gas	230	83	0.00%	-	976			8
B.07 - Mining of metal ores	-	-	0.00%	-	-			-
B.08 - Other mining and quarrying	16,756	6,528	8.51%	8,696	7,024	2,131		6
B.09 - Mining support service activities	1,444	527	0.00%	1,457	-			3
C - Manufacturing	1,001,205	818,755	12.51%	839,070	636,843	43,392	1,011	5
C.10 - Manufacture of food products	452,243	397,130	14.68%	254,098	140,584	19,625	712	5
C.11 - Manufacture of beverages	68,742	60,414	0.00%	65,553	20,699	8,261	-	5
C.12 - Manufacture of tobacco products	-	-	0.00%	-	-	-	-	-
C.13 - Manufacture of textiles	4,488	3,671	0.00%	6,785	1,289	-	-	3
C.14 - Manufacture of wearing apparel	22,062	18,041	0.00%	15,078	67,101	11	-	8
C.15 - Manufacture of leather and related products	156	128	0.00%	259	361	-	-	5
C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	17,642	12,536	0.00%	22,484	4,121	309	-	3
C.17 - Manufacture of paper and paper products	12,151	8,634	0.00%	4,510	20,660	5	-	7
C.18 - Printing and reproduction of recorded media	9,781	7,565	55.95%	10,817	11,951	107	-	5
C.19 - Manufacture of coke and refined petroleum products	-	-	0.00%	-	-	-	-	-
C.20 - Manufacture of chemicals and chemical products	21,317	13,012	19.83%	31,740	4,856	5	-	4
C.21 - Manufacture of basic pharmaceutical products and pharmaceutical preparations	10,931	6,267	23.32%	21,694	2	5	-	2
C.22 - Manufacture of rubber products	82,671	64,125	57.81%	77,846	15,532	4,886	-	3
C.23 - Manufacture of other non-metallic mineral products	41,085	25,131	4.82%	27,338	31,360	515	-	5
C.24 - Manufacture of basic metals	6,841	5,110	33.20%	10,728	3,373	2	-	4
C.25 - Manufacture of fabricated metal products, except machinery and equipment	146,307	107,198	9.82%	106,034	159,596	2,789	-	7
C.26 - Manufacture of computer, electronic and optical products	10,252	8,737	0.00%	15,181	25,899	5,509	-	7
C.27 - Manufacture of electrical equipment	4,087	3,484	0.00%	9,619	252	2	-	2
C.28 - Manufacture of machinery and equipment n.e.c.	31,428	26,934	0.73%	75,932	27,775	286	-	5
C.29 - Manufacture of motor vehicles, trailers and semi-trailers	7,651	6,887	0.01%	9,784	12,025	2	299	3
C.30 - Manufacture of other transport equipment	20,312	18,473	15.01%	27,800	52,012	12	-	7
C.31 - Manufacture of furniture	4,709	3,451	3.61%	7,881	3,076	638	-	5
C.32 - Other manufacturing	8,699	6,688	1.00%	12,675	19,082	7	-	7
C.33 - Repair and installation of machinery and equipment	17,650	15,139	0.00%	25,234	15,237	416	-	4
D - Electricity, gas, steam and air conditioning supply	488,325	121,990	0.18%	174,582	117,843	410,496	155,820	13
D35.1 - Electric power generation, transmission and distribution	341,024	78,567	0.00%	154,197	67,850	315,432	155,820	13
D35.11 - Production of electricity	318,797	73,446	0.00%	133,820	67,659	308,019	155,798	14
D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	66,025	23,998	0.00%	16,741	35,752	47,297	-	10
D35.3 - Steam and air conditioning supply	81,276	19,425	2.37%	3,644	14,241	47,767	-	13
E - Water supply; sewerage, waste management and remediation activities	61,278	34,016	3.18%	106,077	156,097	45,208	158	8
F - Construction	485,909	423,247	1.85%	1,352,564	172,502	147,841	30,002	4
F.41 - Construction of buildings	234,227	204,269	0.00%	943,724	75,655	108,468	28,708	4
F.42 - Civil engineering	47,275	39,872	3.82%	186,120	44,292	13,669	1,211	4
F.43 - Specialised construction activities	204,407	179,106	7.38%	222,720	52,555	25,704	83	5
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	1,179,339	922,054	2.85%	1,675,066	636,103	189,820	1,134	5
H - Transportation and storage	287,379	152,078	7.78%	541,706	128,348	108,220	24,140	6
H.49 - Land transport and transport via pipelines	104,708	62,206	2.00%	135,517	68,585	42,768	34	6
H.50 - Water transport	86,939	33,202	51.75%	86,603	9,954	10	4	2
H.51 - Air transport	1,508	839	2.58%	5,110	-	3	1	4
H.52 - Warehousing and support activities for transportation	94,180	55,798	1.62%	314,247	49,809	65,439	24,101	6
H.53 - Postal and courier activities	44	33	0.00%	229	-	-	-	2
I - Accommodation and food service activities	126,723	96,034	1.68%	246,676	230,497	203,739	1,238	8
L - Real estate activities	154,361	120,472	2.48%	2,529,437	1,856,142	5,108,592	1,817,194	12
Exposures towards sectors other than those that highly contribute to climate change*				**5,316,768**	**2,564,787**	**969,631**	**381,755**	**6**
K - Financial and insurance activities				1,432,377	825,244	136,986	68,734	6
Exposures to other sectors (NACE codes J, M - U)				3,884,391	1,739,543	832,645	313,021	7
TOTAL	**7,128,155**	**3,637,596**	**3.08%**	**13,653,491**	**7,437,670**	**7,847,988**	**2,421,024**	**9**

** In accordance with Commission Delegated Regulation (EU) 2020/1818 supplementing Regulation (EU) 2016/1011 as regards minimum standards for EU climate transition benchmarks and EU Paris-aligned benchmarks - Regulation on Climate Benchmarks -*

Recital 6: Sectors listed in sections A to H and section L of Annex I of Regulation (EC) No. 1893/2006.

To identify companies excluded from the Paris-aligned Benchmarks (PAB), the Crédit Mutuel Arkéa group has chosen to rely on data provided by the Urgewald NGO, which draws up and maintains two separate lists:

- the Global Coal Exit List (GCEL)
- the Global Oil & Gas Exit List (GOGEL)

Crédit Mutuel Arkéa refers to these lists to identify companies that are excluded from the PAB and generate part of their revenue from coal (GCEL) and oil and gas (GOGEL) activities.

For companies that derive at least 50% of their revenue from electricity production activities with a greenhouse gas emission intensity of more than 100g CO^2e/kWh, exposures associated with NACE code D35.11 “Electricity production” have been analyzed to determine the source of energy produced. Companies producing electricity from carbon sources (other than renewable energies or nuclear energy) are considered excluded from the PAB.

Based on its current knowledge, Crédit Mutuel Arkéa believes that it does not have reliable information for identifying exposures that would undermine any of the environmental objectives of the taxonomy. No information is published by counterparties that could potentially undermine an environmental objective of the taxonomy. As a result, this point could not be included in the analysis as of December 31, 2024.

On the basis of this methodology, at 12.31.2024, the Crédit Mutuel Arkéa group's total exposure to companies excluded from the PAB amounts to €98.2 million (representing 0.31% of the total gross accounting value of exposures by sector), of which €17.5 million is dedicated to financing the environmental transition and renewable energies.

Environmentally sustainable exposures

To identify companies aligned with the climate change mitigation objective of the taxonomy, Crédit Mutuel Arkéa referred to information published by its counterparties in their Universal Registration Document at December 31, 2023, in which the aligned portion of their revenue was published.

Financed greenhouse gas emissions

Crédit Mutuel Arkéa has collected actual greenhouse gas emissions data, directly from corporate clients or from data providers. It is important to note that any data modeled by data providers is not taken into account. Due to issues of availability and completeness of data on scopes 1 to 3, Crédit Mutuel Arkéa resorts to proxies when actual greenhouse gas emissions data are not available.

Crédit Mutuel Arkéa uses the PCAF accounting methodology to measure financed greenhouse gas emissions, either from revenue data or from its balance sheet exposures and sectoral proxies provided by PCAF (Partnership for Carbon Accounting Financials).

Table 52 (Template 2): Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral

Counterparty sector As at 12.31.2024 In € thousands	Total gross carrying amount amount						
		Level of energy efficiency (EP score in kWh/m² of collateral)					
		0; <= 100	> 100; <= 200	> 200; <= 300	> 300; <= 400	> 400; <= 500	> 500
Total EU area	**44,295,199**	**4,737,793**	**14,123,152**	**18,396,295**	**4,379,351**	**1,039,678**	**1,618,930**
Of which Loans collateralised by commercial immovable property	3,239,448	604,018	745,024	938,647	432,240	288,050	231,469
Of which Loans collateralised by residential immovable property	41,054,520	4,133,545	13,377,845	17,457,291	3,946,947	751,519	1,387,373
Of which Collateral obtained by taking possession: residential and commercial immovable properties	1,231	230	283	357	164	109	88
Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	27,962,759	3,078,720	8,817,512	11,474,519	2,802,794	728,644	1,060,570
Total non-EU area							
Of which Loans collateralised by commercial immovable property							
Of which Loans collateralised by residential immovable property							
Of which Collateral obtained by taking possession: residential and commercial immovable properties							
Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated							

Counterparty sector As at 12.31.2024 In € thousands	Total gross carrying amount amount								
	Level of energy efficiency (EPC label of collateral)							Without EPC label of collateral	
	A	B	C	D	E	F	G		Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated
Total EU area	**644,974**	**791,885**	**3,515,576**	**5,998,482**	**3,392,840**	**1,257,688**	**730,994**	**27,962,760**	**100%**
Of which Loans collateralised by commercial immovable property	9,487	19,609	36,166	53,902	29,878	8,162	13,622	3,068,622	100%
Of which Loans collateralised by residential immovable property	635,487	772,276	3,479,410	5,944,580	3,362,962	1,249,526	717,372	24,892,907	100%
Of which Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	1,231	100%
Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated								27,962,759	100%
Total non-EU area									
Of which Loans collateralised by commercial immovable property									
Of which Loans collateralised by residential immovable property									
Of which Collateral obtained by taking possession: residential and commercial immovable properties									
Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated									

Crédit Mutuel Arkéa has collected data on energy performance certificates (EPC) in its information system. Efforts have been made to supplement this data using the ADEME database, which includes EPCs carried out by diagnostics companies in France. All the

EPCs available to Crédit Mutuel Arkéa (collected in the information system and through a comparison with the ADEME database) have been considered in this template (including EPCs more than 10 years old).

For exposures for which Crédit Mutuel Arkéa only has the EPC label, a correspondence scale has been created to determine the associated energy consumption level (in kWh/m²) based on the median of the consumption scales per label.

For exposures for which Crédit Mutuel Arkéa has no EPC data, calculations are performed to estimate the energy consumption level (in kWh/m²). These calculations are based on a simple extrapolation aimed at applying to exposures with no EPC the breakdown obtained for exposures with EPC data, with a distinction between residential and commercial.

Table 53 (Template 3) : Banking book - Climate change transition risk: Alignment metrics

As at 12.31.2024 In € thousands Sector	NACE Sectors (a minima)	Portfolio gross carrying amount (Mn EUR)	Alignment metric**	Year of reference	Distance to IEA NZE2050 in % ***	Target (year of reference + 3 years)
Power	3511	50 013	39,03 gCO2/kWh	2024	-79.02%	112,51 gCO2/kWh
Fossil fuel combustion						
Automotive						
Aviation	5110	132	76,00 gCO2/pkm	2024	5.56%	74,00 gCO2/kWh
Maritime transport	5020	55 913	4,06 gCO2/tkm	2024	-11.74%	4,33 gCO2/kWh
Cement, clinker and lime production	2351	0	NA	NA	NA	NA
Iron and steel, coke, and metal ore production	2410	946	300,00 kgCO2/t	2024	-70.70%	662,00 gCO2/kWh
Chemicals						
… potential additions relavant to the business model of the institution						

*** PiT distance to 2030 NZE2050 scenario in % (for each metric)

Crédit Mutuel Arkéa has set physical intensity targets for 2030 in certain high-emission sectors within its banking book (covering Crédit Mutuel Arkéa's financing and treasury investments).
Crédit Mutuel Arkéa based these targets on an analysis of GHG financed emissions using available data and metrics, as well as relevant scenarios to define and adopt these targets for 2030. When intensity data for issuers are not available in a metric and scope consistent with the group's commitment, estimates have been made internally to allow for data comparison.
The targeted sectors and activities are: Coal, Oil and Gas, Steel, Cement, Air Transport, Maritime Transport, Electricity Production, and Residential Real Estate.

Crédit Mutuel Arkéa has established two types of climate targets for 2030 :

- Targets regarding clients and/or counterparties: steel, cement, coal, oil and gas, and air transport (airlines), maritime transport (freight transport counterparties), and electricity production sectors;
- Carbon intensity targets for certain financed projects: commercial aircraft, international freight transport vessels (over 5,000 tons), and residential real estate.

Regarding the objectives set for corporate clients and their assets (i.e., excluding residential real estate), they have been constructed based on data from the International Energy Agency's NZE 2050 (Net Zero Emissions by 2050) scenario for each concerned sector, compatible with limiting global warming to 1.5°C. Crédit Mutuel Arkéa is committed to aligning its banking and treasury investment portfolios in these sectors with the objectives of the Paris Agreement by 2030.

Coal, Oil and Gas

For several years, the group has voluntarily committed and adopted exit trajectories for the Coal and Oil and Gas sectors. These commitments are formalized in the sector policies published on the group's institutional website.

In this context, the group does not measure the physical intensity of its exposures in this sector but has established selection criteria for its financing and investment activities to achieve a total exit from the coal sector by the end of 2027 and a partial exit from the conventional and unconventional fossil energy sectors by the end of 2030. The criteria considered in these policies are compatible with the recommendations of the International Energy Agency: prohibition of financing new oil and gas projects to limit global warming to 1.5°C.

Steel, Cement, Air Transport, Maritime Transport, Electricity Production and Residential Real Estate

The analysis of GHG financed emissions, reference climate scenarios and the economic and regulatory trends in each sector enabled the definition of the following carbon intensity targets for 2030 :

CARBON INTENSITY TARGET BY 2030

Sector	Scope covered	Baseline scenario	Scopes	Carbon intensity target by 2030
STEEL	Steel manufacturing companies with NACE Code 24.10[1]	IEA NZE 2050 (2021 version)[7]	scopes 1 and 2	**1,024 $kgCO_2$ per tonne of steed produced**
CEMENT	Cement manufacturing companies with NACE Code 23.51[1]	IEA NZE 2050 (2021 version)[7]	scopes 1 and 2	**463 $kgCO_2$ per tonne of cement produced**
AVIATION	Airlines with NACE Code 51.10[2]	IEA NZE 2050 (Sep 2023 version)[7]	scope 1	**72 gCO_2 per passenger and per kilometer**
	Airplanes for commercial aviation financing[3]			
MARITIME TRANSPORT	Shipping companies with NACE code 50.20[4]	IEA NZE 2050 (Sep 2023 version)[7]	scope 1	**4.6 gCO_2 per tonne et per kilometer**
	Financing of acquisition of international shipping vessels of more than 5,000 tonnes[5]			
RESIDENTIAL REAL ESTATE	90% of the group's home loan portfolio measured[6]	-	scopes 1 and 2	**12 $kgCO_2e$ per m² et per year**
ELECTRICITY PRODUCTION	Companies with NACE Code 35.11[4]	IEA NZE 2050 (Sep 2023 version)[7]	scope 1	**186 gCO_2 per kWh**

1 Scope refocused on companies whose main activity is covered by the IEA's scenario. Financing provided by Crédit Mutuel de Bretagne, Crédit Mutuel du Sud-Ouest, Arkéa Crédit-Bail, Arkéa Banque Entreprises et Institutionnels and cash investments by Crédit Mutuel Arkéa
2 Scope refocused on companies whose core business is covered by the IEA's scenario. Financing provided by Crédit Mutuel de Bretagne, Crédit Mutuel du Sud-Ouest, Arkéa Crédit-Bail, Arkéa Banque Entreprises et Institutionnels and cash investments by Crédit Mutuel Arkéa
3 Scope of financing provided by Crédit Mutuel de Bretagne, Crédit Mutuel du Sud-Ouest, Arkéa Crédit-Bail, Arkéa Banque Entreprises et Institutionnels, Arkéa Private Banking
4 Scope of cash investments by Crédit Mutuel Arkéa
5 Scope of financing provided by Crédit Mutuel de Bretagne, Crédit Mutuel du Sud-Ouest, Arkéa Crédit-Bail, Arkéa Banque Entreprises et Institutionnels
6 Scope of financing provided by Crédit Mutuel de Bretagne and Crédit Mutuel du Sud-Ouest
7 Reprocessed scenarios according to the concerned sector

The air transport, maritime transport, and residential real estate sectors (out of Pillar 3 scope) are subject to dedicated sector policies published on the Crédit Mutuel Arkéa institutional website. These policies outline the group's strategy for supporting the environmental and societal transitions of these sectors, which are of significant importance to Crédit Mutuel Arkéa. These sector policies result from specific analyses and collaborative work to define the most appropriate support for each sector: the implementation of specific ESG criteria, creation of dedicated or adapted offers.

To achieve these decarbonization targets by 2030, Crédit Mutuel Arkéa will combine several levers:

- Selectivity in client and counterparty credits and treasury investments based on carbon intensity criteria specific to each sector;
- Support for client and counterparty financing projects in their decarbonization trajectory through adapted offers;
- Renunciation of certain financing and treasury investments incompatible with these objectives.

The template published in this report presents the quantitative information related to the commitments made by Crédit Mutuel Arkéa and the related intensity measurements. In this context, the listed NACE codes are those concerned with sector commitments, and the published amounts correspond to the gross carrying amount of on-balance sheet exposures to companies within the identified NACE codes and within the group's commitments.

The alignment metrics published by sector are a calculation of the physical intensity of financed portfolios. The units are selected in coherence with the practices of targeted counterparties and the units used by the International Energy Agency in its scenarios. The reference year is the date of the exposures for which an intensity metric was calculated. The calculated intensity of the portfolio may be based on counterparty intensity metrics that have been determined before the identification of the exposures.

The data on the distance to the IEA NZE 2050 scenario corresponds to the distance of the last reported metric from Crédit Mutuel Arkéa's commitment for the concerned sector. The data on targets represents the current intensity of the portfolio projected three years after linear measurement with respect to the 2030 commitment; this data is indicative and does not constitute a commitment within this timeframe.

Table 54 (Template 4): Climate change transition risk: Exposures to top 20 carbon-intensive firms

As at 12.31.2024
In € thousands

Gross carrying amount (aggregate)	Gross carrying amount towards the counterparties compared to total gross carrying amount (aggregate) (*)	Of which environmentally sustainable (CCM)	Weighted average maturity	Number of top 20 polluting firms included
4,391	0.014%	61.48	6.22	1

(*) For counterparties among the top 20 carbon emitting companies in the world

To identify the top 20 carbon-intensive firms worldwide, the Crédit Mutuel Arkéa group refers to the Carbon Majors list established by the Climate Accountability Institute, updated in 2024 and based on 2022 data (latest available data). This public list includes the scopes 1, 2 and 3 emissions estimated by this initiative.

Based on this list, as of December 31, 2024, only one company was identified in Crédit Mutuel Arkéa's banking portfolio, for a total amount of €4.4 million, i.e. 0.014% of the assets covered by the analysis. 91% of this amount (i.e. 4 million euros) is dedicated to financing the environmental transition and renewable energies.

To identify exposures considered environmentally sustainable (aligned with the climate change mitigation objective), Crédit Mutuel Arkéa relied on information published by the relevant top 20 counterparties in their sustainability report.

Table 55 (Template 5): Climate change physical risk: Exposures subject to physical risk

As at 12.31.2024 In € thousands Variable: Geographical area subject to climate change physical risk - acute and chronic events	Gross carrying amount						
		of which exposures sensitive to impact from climate change physical events					
		Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events
		<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity	
A - Agriculture, forestry and fishing	2,419,390	1,436	839	80	-	5	1
B - Mining and quarrying	20,284	204	-	-	-	1	204
C - Manufacturing	1,520,316	11,392	10,513	-	-	5	16,488
D - Electricity, gas, steam and air conditioning supply	858,741	2,236	-	2,553	12,042	18	4,284
E - Water supply; sewerage, waste management and remediation activities	307,540	5,677	1,448	-	-	3	6,977
F - Construction	1,702,909	84,614	3,028	4,853	3,778	3	65,178
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	2,502,123	33,781	14,060	736	-	3	29,199
H - Transportation and storage	802,414	2,537	2,383	1,204	-	8	3,314
L - Real estate activities	11,311,365	133,631	52,883	169,574	69,785	9	305,097
Loans collateralised by residential immovable property	41,054,520	31,102	97,829	337,081	283,903	12	427,389
Loans collateralised by commercial immovable property	3,239,448	4,415	6,616	53,975	-	17	29,595
Repossessed collaterals	1,231						
Other relevant sectors (breakdown below where relevant)							

As at 12.31.2024 In € thousands Variable: Geographical area subject to climate change physical risk - acute and chronic events	Gross carrying amount						
	of which exposures sensitive to impact from climate change physical events						
	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
						of which Stage 2 exposures	Of which non-performing exposures
A - Agriculture, forestry and fishing	2,353	-	915	647	- 474	- 35	- 429
B - Mining and quarrying	-	-	-	-	- 0	-	-
C - Manufacturing	5,417	-	2,488	1,482	- 1,305	- 118	- 1,049
D - Electricity, gas, steam and air conditioning supply	12,547	-	3,894	-	- 261	- 245	-
E - Water supply; sewerage, waste management and remediation activities	148	-	-	-	- 5	-	-
F - Construction	31,069	25	6,022	372	- 1,162	- 301	- 9
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	19,378	-	12,371	8,386	- 5,923	- 533	- 5,159
H - Transportation and storage	2,811	-	1,663	39	- 96	- 63	- 22
L - Real estate activities	119,377	1,398	49,241	1,485	- 3,840	- 1,133	- 237
Loans collateralised by residential immovable property	305,236	17,289	38,156	15,497	- 2,264	- 627	- 1,248
Loans collateralised by commercial immovable property	35,411	-	2,252	115	-	-	-
Repossessed collaterals							
Other relevant sectors (breakdown below where relevant)							

To measure its exposures sensitive to acute and chronic physical risks, the Crédit Mutuel Arkéa group has developed an internal tool for the assessment and geographic measurement of physical climate risks at the municipality level (granularity: postal code) for mainland France.

Named PRISM (Physical Risk Internal Scoring Model), the tool covered 12 climate-related hazards as of December 31, 2024, compared to 6 hazards as of December 31, 2023. The integration of six new hazards explains the variations in the results presented in the template. The tool relies on scientific databases for identifying national (Géorisques, DRIAS) and international (PREPdata) climate risks and projections. Some hazards are based on statistical risk occurrence data while others integrate a forward-looking dimension towards 2050 based on the SSP5-8.5 scenario of the IPCC.

The climate-related hazards considered in the assessment of acute risks are:

- floods
- droughts
- hail and snow storms
- heatwaves (new)
- cold waves (new)
- frost waves (new)

The climate-related hazards considered in the assessment of chronic risks are:

- rising air temperatures
- changes in rainfall patterns
- sea level rise
- changes in wind patterns (new)
- coastal erosion (new)
- water stress (new)

For each hazard, a five-level risk scale was applied, ranging from 0 (very low risk) to 4 (very high risk).

A score is determined for acute risks by giving the hazards an equal weighting and, for chronic risks, by reducing the weighting of the "rising sea levels" hazard due to its lower granularity and by eliminating it for non-coastal municipalities.

Exposures considered sensitive to acute and chronic physical risks and presented in this template are those located in French municipalities assessed as very high risk.

For exposures outside mainland France, the Group applies a level of country granularity, based on the ND-Gain Country Index, using a five-level risk scale. As exposures outside mainland France are insignificant, accounting for less than 3% of the Group's outstandings, the decision was made to disclose the data on an aggregate basis, without distinction between the various geographic regions.

Table 56 (Template 6): Summary of GAR KPIs

As at 12.31.2024 In € thousands	KPI			% coverage (over total assets)*
	Climate change mitigation	Climate change adaptation	Total (Climate change mitigation + Climate change adaptation)	
GAR stock	7.70%	0.00%	7.70%	79.92%
GAR flow	5.68%	0.00%	5.68%	82.63%

* % of assets covered by the KPI over banks´ total assets

Table 57 (Template 7): Mitigating actions: Assets for the calculation of GAR

As at 12.31.2024 In € thousands	Disclosure reference date T					
	Total gross carrying amount	Climate Change Mitigation (CCM)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
			Of which environmentally sustainable (Taxonomy-aligned)			
				Of which specialised lending	Of which transitional	Of which enabling
GAR - Covered assets in both numerator and denominator						
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	69,380,971	47,360,723	8,801,021	8,318,598	75,562	108,166
Financial corporations	**9,930,197**	**2,693,682**	**313,855**	**88,532**	5,257	29,852
Credit institutions	6,821,860	2,263,523	253,985	78,217	3,805	8,866
Loans and advances	2,202,380	621,237	57,636	-	453	32
Debt securities, including UoP	4,619,286	1,642,273	196,347	78,217	3,352	8,834
Equity instruments	194	14	2	-	-	-
Other financial corporations	3,108,337	430,159	59,870	10,315	1,453	20,987
of which investment firms	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-
of which management companies	345,581	118,886	34,660	10,315	52	12,829
Loans and advances	10,301	5,072	1,500	-	52	0
Debt securities, including UoP	335,280	113,814	33,160	10,315	-	12,828
Equity instruments	-	-	-	-	-	-
of which insurance undertakings	2,762,756	311,273	25,210	-	1,401	8,158
Loans and advances	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-
Equity instruments	2,762,756	311,273	25,210	-	1,401	8,158
Non-financial corporations (subject to NFRD disclosure obligations)	**1,501,057**	**611,979**	**340,704**	**83,605**	**70,305**	**78,314**
Loans and advances	997,825	348,510	151,248	22,305	1,808	12,694
Debt securities, including UoP	468,735	234,491	183,591	61,300	68,152	65,620
Equity instruments	34,497	28,977	5,864	-	345	-
Households	**50,404,174**	**43,885,727**	**8,061,211**	**8,061,211**	-	**-**
of which loans collateralised by residential immovable property	41,054,520	41,054,520	8,061,211	8,061,211	-	-
of which building renovation loans	1,018,557	1,018,557	-	-	-	-
of which motor vehicle loans	2,125,116	1,812,650	-	-	-	-
Local governments financing	**7,545,543**	**169,335**	**85,250**	**85,250**	-	-
Housing financing	84,084	84,084	-	-	-	-
Other local governments financing	7,461,458	85,250	85,250	85,250	-	-
Collateral obtained by taking possession: residential and commercial immovable properties	**1,231**	-	-	**-**	**-**	**-**
TOTAL GAR ASSETS	**69,382,202**	**47,360,723**	**8,801,021**	**8,318,598**	75,562	**108,166**
Assets excluded from the numerator for GAR calculation (covered in the denominator)	-	-	-	-	-	-
EU Non-financial corporations (not subject to NFRD disclosure obligations)	**34,542,371**					
Loans and advances	31,139,566					
Debt securities	1,833,878					
Equity instruments	1,568,927					
Non-EU Non-financial corporations (not subject to NFRD disclosure obligations)	**1,245,873**					
Loans and advances	10,954					
Debt securities	1,206,950					
Equity instruments	27,969					
Derivatives	**3,292,642**					
On demand interbank loans	**456,220**					
Cash and cash-related assets	**133,420**					
Other assets (e.g. Goodwill, commodities etc.)	**5,272,866**					
TOTAL ASSETS IN THE DENOMINATOR (GAR)	**114,325,594**					
Other assets excluded from both the numerator and denominator for GAR-calculation	-					
Sovereigns	17,414,154					
Central banks exposure	10,909,002					
Trading book	392,927					
TOTAL ASSETS EXCLUDED FROM NUMERATOR AND DENOMINATOR	**28,716,083**					
TOTAL ASSETS	**143,041,677**					

As at 12.31.2024 In € thousands	Disclosure reference date T									
	Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
	Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
		Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			
			Of which specialised lending	Of which adaptation	Of which enabling			Of which specialised lending	Of which transitional/ adaptation	Of which enabling
GAR - Covered assets in both numerator and denominator										
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	26,914	2,274	-	-	1,696	47,387,636	8,803,295	8,318,598	75,562	109,862
Financial corporations	3,992	1,111	-	-	532	**2,697,674**	**314,966**	**88,532**	**5,257**	**30,384**
Credit institutions	1,169	-	-	-	-	2,264,692	253,985	78,217	3,805	8,866
Loans and advances	20	-	-	-	-	621,257	57,636	-	453	32
Debt securities, including UoP	1,149	-	-	-	-	1,643,421	196,347	78,217	3,352	8,834
Equity instruments	-	-	-	-	-	14	2	-	-	-
Other financial corporations	2,823	1,111	-	-	532	432,982	60,981	10,315	1,453	21,519
of which investment firms	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-
of which management companies	-	-	-	-	-	118,886	34,660	10,315	52	12,829
Loans and advances	-	-	-	-	-	5,072	1,500	-	52	0
Debt securities, including UoP	-	-	-	-	-	113,814	33,160	10,315	-	12,828
Equity instruments	-	-	-	-	-	-	-	-	-	-
of which insurance undertakings	2,823	1,111	-	-	532	314,096	26,321	-	1,401	8,690
Loans and advances	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
Equity instruments	2,823	1,111	-	-	532	314,096	26,321	-	1,401	8,690
Non-financial corporations (subject to NFRD disclosure obligations)	**22,922**	**1,164**	-	-	1,164	**634,901**	**341,868**	**83,605**	**70,305**	**79,478**
Loans and advances	22,922	1,164	-	-	1,164	371,433	152,412	22,305	1,808	13,857
Debt securities, including UoP	-	-	-	-	-	234,491	183,591	61,300	68,152	65,620
Equity instruments	-	-	-	-	-	28,977	5,864	-	345	-
Households	-	-	-	-	-	**43,885,727**	**8,061,211**	**8,061,211**	-	-
of which loans collateralised by residential immovable property	-	-	-	-	-	41,054,520	8,061,211	8,061,211	-	-
of which building renovation loans	-	-	-	-	-	1,018,557	-	-	-	-
of which motor vehicle loans	-	-	-	-	-	1,812,650	-	-	-	-
Local governments financing	-	-	-	-	-	**169,335**	**85,250**	**85,250**	-	-
Housing financing	-	-	-	-	-	84,084	-	-	-	-
Other local governments financing	-	-	-	-	-	85,250	85,250	85,250	-	-
Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-
TOTAL GAR ASSETS	**26,914**	**2,274**	-	-	**1,696**	**47,387,636**	**8,803,295**	**8,318,598**	**75,562**	**110,166**
Assets excluded from the numerator for GAR calculation (covered in the denominator)	-	-	-	-	-	-	-	-	-	-
EU Non-financial corporations (not subject to NFRD disclosure obligations)										
Loans and advances										
Debt securities										
Equity instruments										
Non-EU Non-financial corporations (not subject to NFRD disclosure obligations)										
Loans and advances										
Debt securities										
Equity instruments										
Derivatives										
On demand interbank loans										
Cash and cash-related assets										
Other assets (e.g. Goodwill, commodities etc.)										
TOTAL ASSETS IN THE DENOMINATOR (GAR)										
Other assets excluded from both the numerator and denominator for GAR-calculation										
Sovereigns										
Central banks exposure										
Trading book										
TOTAL ASSETS EXCLUDED FROM NUMERATOR AND DENOMINATOR										
TOTAL ASSETS										

** Table 56 (Template 7): Row 33 includes non-NFRD financial and non-financial companies.*

Table 58 (Template 8): GAR (%)

As at 12.31.2024 In € thousands	Disclosure reference date T: KPIs on stock															
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					
	Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					Proportion of total assets covered
		Of which environmentally sustainable					Of which environmentally sustainable					Of which environmentally sustainable				
% (compared to total covered assets in the denominator)			Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which adaptation	Of which enabling			Of which specialised lending	Of which transitional/adaptation	Of which enabling	
GAR	**41.43%**	**7.70%**	**7.28%**	**0.07%**	**0.09%**	**0.02%**	**0.00%**	**0.00%**		**0.00%**	**41.45%**	**7.70%**	**7.28%**	**0.07%**	**0.09%**	**79.92%**
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	68.26%	12.69%	11.99%	0.11%	0.16%	0.04%	0.00%	0.00%		0.00%	68.30%	12.69%	11.99%	0.11%	0.16%	48.50%
Financial corporations	27.13%	3.16%	0.89%	0.05%	0.30%	0.04%	0.01%	0.00%		0.01%	27.17%	3.17%	0.89%	0.05%	0.31%	6.94%
Credit institutions	33.18%	3.72%	1.15%	0.06%	0.13%	0.02%	0.00%	0.00%		0.00%	33.20%	3.72%	1.15%	0.06%	0.13%	4.77%
Other financial corporations	13.84%	1.93%	0.33%	0.05%	0.68%	0.09%	0.04%	0.00%		0.02%	13.93%	1.97%	0.33%	0.05%	0.70%	2.17%
of which investment firms	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
of which management companies	34.40%	10.03%	2.98%	0.01%	3.71%	0.00%	0.00%	0.00%		0.00%	34.40%	10.03%	2.98%	0.01%	3.71%	0.24%
of which insurance undertakings	11.27%	0.91%	0.00%	0.05%	0.30%	0.10%	0.04%	0.00%		0.02%	11.37%	0.95%	0.00%	0.05%	0.32%	1.93%
Non-financial corporations subject to NFRD disclosure obligations	40.77%	22.70%	5.57%	4.68%	5.22%	1.53%	0.08%	0.00%		0.08%	42.30%	22.78%	5.57%	4.68%	5.30%	1.05%
Households	87.07%	15.99%	15.99%	0.00%	0.00%						87.07%	15.99%	15.99%	0.00%	0.00%	35.24%
of which loans collateralised by residential immovable property	100.00%	19.64%	19.64%	0.00%	0.00%						100.00%	19.64%	19.64%	0.00%	0.00%	28.70%
of which building renovation loans	100.00%	0.00%	0.00%	0.00%	0.00%						100.00%	0.00%	0.00%	0.00%	0.00%	0.71%
of which motor vehicle loans	85.30%	0.00%	0.00%	0.00%	0.00%						85.30%	0.00%	0.00%	0.00%	0.00%	1.49%
Local government financing	2.24%	1.13%	1.13%	0.00%	0.00%						2.24%	1.13%	1.13%	0.00%	0.00%	5.28%
Housing financing	100.00%	0.00%	0.00%	0.00%	0.00%						100.00%	0.00%	0.00%	0.00%	0.00%	0.06%
Other local governments financing	1.14%	1.14%	1.14%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	1.14%	1.14%	1.14%	0.00%	0.00%	5.22%
Collateral obtained by taking possession: residential and commercial immovable properties	0.00%	0.00%	0.00%	0.00%	0.00%						0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

As at 12.31.2024 In € thousands	Disclosure reference date T: KPIs on flows															
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					
	Proportion of new eligible assets funding taxonomy relevant sectors					Proportion of new eligible assets funding taxonomy relevant sectors					Proportion of new eligible assets funding taxonomy relevant sectors					Proportion of total new assets covered
		Of which environmentally sustainable					Of which environmentally sustainable					Of which environmentally sustainable				
% (compared to total covered assets in the denominator)			Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which adaptation	Of which enabling			Of which specialised lending	Of which transitional/adaptation	Of which enabling	
GAR	**39.49%**	**5.68%**	**4.49%**	**0.55%**	**0.31%**	**0.00%**	**0.00%**	**0.00%**		**0.00%**	**39.49%**	**5.68%**	**4.49%**	**0.55%**	**0.31%**	**82.63%**
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	59.61%	8.57%	6.78%	0.84%	0.47%	0.01%	0.00%	0.00%		0.00%	59.62%	8.57%	6.78%	0.84%	0.47%	54.74%
Financial corporations	35.03%	4.23%	1.59%	0.04%	0.44%	0.01%	0.00%	0.00%		0.00%	35.04%	4.23%	1.59%	0.04%	0.44%	15.99%
Credit institutions	36.25%	4.32%	1.78%	0.04%	0.21%	0.01%	0.00%	0.00%		0.00%	36.26%	4.32%	1.78%	0.04%	0.21%	14.34%
Other financial corporations	24.46%	3.50%	0.00%	0.02%	2.52%	0.00%	0.00%	0.00%		0.00%	24.46%	3.50%	0.00%	0.02%	2.52%	1.65%
of which investment firms	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
of which management companies	29.54%	4.67%	0.00%	0.00%	3.59%	0.00%	0.00%	0.00%		0.00%	29.54%	4.67%	0.00%	0.00%	3.59%	1.10%
of which insurance undertakings	14.26%	1.15%	0.00%	0.06%	0.37%	0.00%	0.00%	0.00%		0.00%	14.26%	1.15%	0.00%	0.06%	0.37%	0.55%
Non-financial corporations subject to NFRD disclosure obligations	35.30%	23.09%	0.00%	18.58%	7.61%	0.10%	0.10%	0.00%		0.10%	35.40%	23.19%	0.00%	18.58%	7.71%	2.43%
Households	100.00%	12.62%	12.62%	0.00%	0.00%						100.00%	12.62%	12.62%	0.00%	0.00%	25.93%
of which loans collateralised by residential immovable property	100.00%	17.22%	17.22%	0.00%	0.00%						100.00%	17.22%	17.22%	0.00%	0.00%	19.00%
of which building renovation loans	100.00%	0.00%	0.00%	0.00%	0.00%						100.00%	0.00%	0.00%	0.00%	0.00%	2.38%
of which motor vehicle loans	100.00%	0.00%	0.00%	0.00%	0.00%						100.00%	0.00%	0.00%	0.00%	0.00%	4.55%
Local government financing	2.36%	1.75%	1.75%	0.00%	0.00%						2.36%	1.75%	1.75%	0.00%	0.00%	10.39%
Housing financing	100.00%	0.00%	0.00%	0.00%	0.00%						100.00%	0.00%	0.00%	0.00%	0.00%	0.06%
Other local governments financing	1.76%	1.76%	1.76%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	1.76%	1.76%	1.76%	0.00%	0.00%	10.33%
Collateral obtained by taking possession: residential and commercial immovable properties	0.00%	0.00%	0.00%	0.00%	0.00%						0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

The European Green Taxonomy is a classification system for economic activities that is used to identify activities that are environmentally sustainable. The Green Asset Ratio (GAR) measures the proportion of the bank’s assets invested in sustainable economic activities (in accordance with the classification of the taxonomy).

The qualitative elements concerning templates 6, 7 and 8 related to the first two objectives of the European taxonomy (Climate Change Mitigation and Climate Change Adaptation) are detailed in Crédit Mutuel Arkéa’s non-financial performance statement.

Table 59 (Template 10): Other climate change mitigating actions that are not covered in the EU Taxonomy

As at 12.31.2024 In € thousands Type of financial instrument	Type of counterparty	Gross carrying amount	Type of risk mitigated (Climate change transition risk)	Type of risk mitigated (Climate change physical risk)	Qualitative information on the nature of the mitigating actions
Bonds (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	856,875	YES	NO	*See n°1 and n°2*
	Non-financial corporations	19,200	YES	NO	
	Of which Loans collateralised by commercial immovable property	0			
	Other counterparties	57,500	YES	NO	
Loans (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	51,554	YES	NO	*See n°3 and n°4*
	Non-financial corporations	978,734	YES	NO	
	Of which Loans collateralised by commercial immovable property	20,613	YES	NO	
	Households	-	-	-	
	Of which Loans collateralised by residential immovable property	-	-	-	
	Of which building renovation loans	-	-	-	
	Other counterparties	334,006	YES	NO	

In this template, the Crédit Mutuel Arkéa group documents bond subscriptions (notes 1 and 2) and loans offered to customers (notes 3 and 4) that are not covered by Regulation (EU) 2020/852: European taxonomy, at December 31, 2023.

BONDS

Green and sustainable bonds help to finance the green transition and are therefore a means of mitigating transition risk associated with climate change. Some bonds include actions to mitigate physical risks (for example, in the green buildings category with an analysis of vulnerability to physical risks and adaptation of buildings to climate-related hazards).

Note 1 - Green bonds:

The Crédit Mutuel Arkéa group subscribes to green bonds. These bonds are issued by financial companies, non-financial companies and sovereign entities. The principles of the ICMA (International Capital Market Association) establish a voluntary framework for best practices in terms of transparency of disclosures regarding green bonds: “The Green Bond Principles”. The ICMA framework allows investors to decide whether a bond is green. Assets for which the counterparty is a sovereign entity are not eligible for Regulation (EU) No. 2020/852; the green bonds subscribed to these counterparties are reported in this template. The alignment of bonds with Regulation (EU) 2020/852 is documented by the issuer and the share of non-aligned green bonds is reported in this template.

Note 2 - Sustainable bonds:

The Crédit Mutuel Arkéa group subscribes to sustainable bonds. These bonds are issued by sovereign entities. The principles of the ICMA (International Capital Market Association) establish a voluntary framework for best practices in terms of transparency of disclosures regarding sustainable bonds: “Sustainability Bond Guidelines”. The ICMA framework allows investors to decide whether a bond is sustainable. Assets for which the counterparty is a sovereign entity are not eligible for Regulation (EU) No. 2020/852; the sustainable bonds subscribed to these counterparties are reported in this template. The alignment of bonds with Regulation (EU) 2020/852 is documented by the issuer, and the share of non-aligned sustainable bonds is reported in this template.

LOANS

Note 3 - DTE loans:

The Crédit Mutuel Arkéa group, through the Environmental Transition Department (DTE) of its Arkéa Banque E&I subsidiary, finances companies and institutions. These operations finance renewable energy, energy renovation of buildings and energy efficiency projects. The main objective is to reduce greenhouse gases, thereby contributing to climate change mitigation. The DTE loans shown in this template are not covered by Regulation (EU) 2020/852 as they involve counterparties not subject to the disclosure obligations of Directive 2014/95/EU – Non-Financial Reporting Directive (NFRD).

Note 4 - PACT loans:

Through its Arkéa Banque E&I subsidiary, the Crédit Mutuel Arkéa group offers SMEs, mid-sized companies, institutions, and real estate professionals PACT Trajectoire ESG loans and PACT Carbon loans. The PACT Trajectoire ESG loan grants a bonus on financial conditions if the borrower improves its ESG rating. The environmental component includes indicators to monitor climate change mitigation, such as the counterparty's greenhouse gas emissions, which help to mitigate transition risk. The PACT Carbon loan grants a bonus aimed at rewarding companies that have achieved a reduction target aligned with a carbon trajectory compatible with the Paris Agreement objectives.

The PACT loans presented in this model are not covered by Regulation (EU) n°2020/852 as they concern companies not subject to the disclosure obligations of Directive 2014/95/EU Non-Financial Reporting Directive (NFRD).

16. Corporate governance and compensation policy

16.1. Diversity policy

Diversity policy applicable to members of management bodies in their supervisory functions

Crédit Mutuel Arkéa's organization as a cooperative and mutual company allows every member to participate in collective decision-making, either directly or indirectly. At the local banks, volunteer directors are elected by and from among the members. This system ensures real representation of the diversity of members on the Boards of Directors of each of the local banks, the regional federations and Crédit Mutuel Arkéa.

The federations general secretariats monitor changes in this diversity, particularly with regard to the age and gender of the elected directors and the socio-professional categories to which they belong.

The cooperative directors who sit on Crédit Mutuel Arkéa's Board of Directors (16 of 22 members) and, more generally, on the boards of subsidiaries, are proposed by the federations from among this group of first-level directors and therefore reflect this diversity. This approach also ensures optimal regional representation of the directors. Given that these governance arrangements are based on values of mutualism and representation, the notion of diversity is central to Crédit Mutuel Arkéa's selection processes.

In addition, the training policy overseen by the Appointments and Governance Committee adapts training programs to directors' profiles, which further ensures a broad range of skills.

Since a Board's most important quality is the balance of its composition, and the competence and ethics of its members, when reviewing applications for appointments or reappointments to the Board of Directors of Crédit Mutuel Arkéa or the Group's subsidiaries, the Appointments and Governance Committee endeavors to:

- increase the number of persons of the underrepresented gender and ensure compliance with laws related to gender diversity (Copé-Zimmerman law and Rixain law in particular);
- seek diversity and complementary backgrounds for effective and proven operation;
- create supervisory bodies that include elected directors from the local banks of the Crédit Mutuel Arkéa federations, except in special cases.

The selection of member profiles must also take regulators' expectations into consideration.

As of December 31, 2024, the Board's members represented the following areas: accounting and management control, human resources, marketing, communication, agriculture and agri-food, legal, IT ,new technologies and cybersecurity, higher education and medical research, local governments and social action and management and corporate governance.

Two directors not from the cooperative movement and two non-voting members are also Board members and were selected by the Committee for their outside perspective and their specific expertise in such areas as governance, compliance and private equity.

Lastly, two directors representing employees, elected by the Group Committee, sit on the Board, with the choice of these two profiles made by the representative trade unions.

The Board also consists of active and retired directors, most of whom are active.

The Board also has generational diversity, with directors aged 39 to 68, and an average age of 56.

The gender equality rate is 50%.

Diversity policy applicable to members of management bodies in their executive functions

Since 2015, Crédit Mutuel Arkéa has implemented a gender diversity strategy, particularly through the creation of a special task force and awareness and training workshops. This resulted in the establishment of a special department to continue the work carried out. The existence of a balanced representation of men and women within the management bodies, in their executive function and more generally in management functions, is regularly monitored via performance indicators and a process for identifying potential. Specific programs are also offered to support the development of female talent, and a network of ambassadors continues to actively promote cultural awareness.

The Appointments and Governance Committee also strengthened its policy on appointments of key executives by requiring that a female candidate and a male candidate always be nominated for executive director positions at all the Group's entities, including those not subject to any legal obligation.

In the specific case of Crédit Mutuel Arkéa, the Executive Committee consists of eight members, including the Chief Executive Officer and the Deputy Chief Executive Officers, and the percentage of women on the Board was 50% as of December 31, 2024. In addition to the Chief Executive Officer, the members are the directors of the Group's various divisions and have wide-ranging expertise in areas such as accounting, actuarial, human resources, IT and telecommunications, commerce, marketing and finance that cover most of the Group's activities.

16.2. Composition and role of the Compensation Committee

The Crédit Mutuel Arkéa group's compensation policy is defined by Crédit Mutuel Arkéa's Board of Directors at the recommendation of its Compensation Committee, with the corporate departments assisting with its preparation and implementation.

The Crédit Mutuel Arkéa group's Compensation Committee consists of a Chairman and members of Crédit Mutuel Arkéa's Board of Directors who do not hold an executive management position at the institution. One of the members of the Committee is a director representing employees and has voting rights on Crédit Mutuel Arkéa's Board of Directors.

The Chairman and members of the Compensation Committee are appointed by Crédit Mutuel Arkéa's Board of Directors for the term of their directorship.

At December 31, 2024 the Compensation Committee had six members:

- Luc Moal, Chairman
- Colette Séné
- Philippe Chupin
- Valérie Barloix-Leroux
- Sophie Violleau
- Marie Vignal-Renault, Employee Representative

The Head of Human Dynamics and Relations attends Compensation Committee meetings. To fulfill its duties, the Committee relies on studies, as it deems necessary, and benchmarks developed by an independent consulting firm.

The operation of the Compensation Committee is governed by a charter approved by Crédit Mutuel Arkéa's Board of Directors.

The Compensation Committee's role is to :

- develop the Group's compensation principles and policies, review them annually and ensure that they are implemented;
- ensure the overall consistency of the compensation policy within the Group, in terms of principles, budgets and individual allocations, with the objectives of the Group's Corporate mission statement roadmap, the criteria associated with the Group's risk appetite framework and the Group's long-term interests;
- review the compensation policies and variable compensation schemes of the Group's regulated entities on an annual basis;
- prepare decisions to be taken by the supervisory function regarding compensation of Crédit Mutuel Arkéa's corporate officers (i.e. members of the Board of Directors and effective managers);
- oversee the compensation of:
  - the members of Executive Management of Crédit Mutuel Arkéa and of the subsidiaries subject on an individual basis to European prudential banking regulations (hereinafter the "CRD Regulation");
  - senior executives who perform internal control functions at Crédit Mutuel Arkéa and at the subsidiaries subject on an individual basis to the CRD Regulation, particularly that of the managers of the Group's risk management, compliance and internal audit functions;
  - the effective managers of the Group's regulated entities;
- oversee the compensation packages of other staff members whose professional activities have a material impact on the risk profile of the company or of the Group to which this policy applies in accordance with Article L. 511-71 of the French Monetary and Financial Code (other members of the Regulated Population);
- assesses the achievement of performance objectives and the need for ex post risk adjustment and more particularly the application of penalty and recovery mechanisms.
- conduct an annual review of:
  - the scope of the Regulated Population defined pursuant to the CRD Regulation;
  - the variable compensation policy applicable to the Regulated Population;
- periodically review the amount of compensation awarded to directors and members of the supervisory bodies of Crédit Mutuel Arkéa and/or its subsidiaries.

In performing its duties, the Compensation Committee seeks the opinion of the Risk and Internal Control Committee when necessary and may be assisted by external compensation consultants, after estimating the cost of their services.

Crédit Mutuel Arkéa's Board of Directors, at the recommendation of the Compensation Committee, approves the Group's compensation policy annually and oversees its implementation.

Thus, the Compensation Committee regularly reports on its work to Crédit Mutuel Arkéa's Board of Directors and to the supervisory bodies of the Group's regulated subsidiaries, which receive information about them contained in the annual review of the compensation policy.

In 2024, the Compensation Committee met 12 times and its work focused on the following topics :

- the Crédit Mutuel Arkéa group's compensation policy and practices;
- annual reports on the Group's compensation policy and practices;
- compensation paid to the Crédit Mutuel Arkéa group's directors and corporate officers;
- scope of the regulated population;
- compensation of the members of the regulated population;
- compensation policies of the regulated subsidiaries;
- compensation paid to the effective managers of the Group's regulated entities;
- the Compensation Committee's charter.

16.3. General principles of the compensation policy

With the goal of promoting sound and effective risk management, the Crédit Mutuel Arkéa group's compensation policy is consistent with the Group's economic strategy, objectives, values and long-term interests, discourages risk-taking that exceeds the level of risk defined by the Group and includes measures to avoid conflicts of interest.

The compensation policy includes principles that take into account the following objectives:

- alignment with the Crédit Mutuel Arkéa group's Purpose "Ron d'Etre" commitments as Corporate mission statement as defined by Crédit Mutuel Arkéa's Board of Directors:
    - by adhering to the economic strategy and objectives, values and interests of the Crédit Mutuel Arkéa group;
    - by incorporating both financial and non-financial assessment criteria, with a view to maintaining consistency between overall employee compensation, the Crédit Mutuel Arkéa group's performance and employees' individual performance;
- the need for the Crédit Mutuel Arkéa group to attract, motivate and retain individuals recognized as talented and particularly competent in the Crédit Mutuel Arkéa group's areas of activity;
- consistency between the compensation and employment conditions of Crédit Mutuel Arkéa group employees (in particular the compensation structure, assessment criteria or changes in compensation) and with the market practices observed at companies in the same sector;
- while ensuring appropriate risk management, compliance with regulations, conflict of interest prevention and fairness in decision-making.

As a lever of motivation and recognition, the compensation policy focuses on assessing individual and/or collective performance fairly and objectively.

The Crédit Mutuel Arkéa group's compensation policy is part of a global human resources policy aimed at promoting the company's competitiveness, developing skills, creating a harmonious social climate and addressing societal and environmental issues.

The Crédit Mutuel Arkéa group promotes responsible finance, and its compensation policy reflects this philosophy.

The Crédit Mutuel Arkéa group's entities include in their compensation policies and practices ESG and sustainability impact criteria, determined on the basis of the strategic, economic and financial objectives of the Group or entity concerned, that affect the award of certain components of compensation.

Employee compensation is aligned with the Crédit Mutuel Arkéa group's sustainability risks at several levels:

- Compensation practices include, where relevant, indicators based on Environmental, Social and Corporate Governance (ESG) criteria and indicators linked to ESG risks in the Group's compensation systems (profit-sharing scheme, variable remuneration).
- Individual variable compensation of non-salaried corporate officers:

  The criteria for determining the individual variable compensation of non-salaried corporate officers include a balance between financial criteria and non-financial criteria, including sustainability criteria.

  Sustainability criteria relate to environmental, social or governance issues for the Crédit Mutuel Arkéa group and to the benefit corporation roadmap.

- Individual variable compensation of members of Crédit Mutuel Arkéa's Regulated Population

  Crédit Mutuel Arkéa's compensation policy seeks sound and effective management of risks, regardless of their type (financial risks, operational risks, sustainability risks, etc.), in particular by ensuring that a large portion of the variable compensation of employees whose activity has a significant impact on the company's risk profile is flexible, deferred and adjustable.

The overall compensation of Crédit Mutuel Arkéa group employees consists in :

- fixed compensation,
- individual annual variable compensation,
- collective variable compensation,
- fringe benefits that may be offered at the Group's entities:
  - employee savings,
  - health and personal protection,
  - supplementary pension,
  - benefits in kind.

All employees receive some or all of these components depending on their responsibilities, skills and performance.

The Crédit Mutuel Arkéa group routinely compares its practices with those of other banking, management companies and insurance groups to ensure that compensation is appropriate to attract and retain the talent and skills the Group needs.

Fixed compensation

Fixed compensation is a way to retain and motivate employees and recognize their professional experience and responsibilities assumed in their position, as well as the role and importance of the position in the organization in line with market studies conducted by each Group entity at regular intervals. It represents a large portion of the total compensation and, where applicable, serves as a basis for determining targets and limits on variable compensation applicable to individual employees.

Annual variable compensation

Variable compensation and its payment in several tranches does not hinder institutions' ability to maintain a sound capital base or build up their capital.

The payment of variable compensation is dependent on the soundness of the financial base of the Crédit Mutuel Arkéa group and/or the entity at which the employee works.

The sound financial base of the Crédit Mutuel Arkéa group is assessed according to:

- the solvency ratio (CET1),
- the loan-to-deposit ratio,
- the cost/income ratio,

set at the risk appetite threshold, for each of these three indicators.

The sound financial base of the Crédit Mutuel Arkéa group's subsidiaries is assessed according to a solvency indicator or, in the absence of a solvency indicator, an indicator used to verify the subsidiary's financial soundness.

Variable compensation is tied to annual performance and the impact on the institution's risk profile.

In case of insufficient performance, non-compliance with rules and procedures or risky behaviors, variable compensation is directly impacted, which may result in an adjustment partially or totally reducing the amount of variable compensation.

Variable compensation is set in accordance with regulatory principles.

Annual variable compensation depends on the financial and non-financial performance during the year and employees' contributions to the success of the Crédit Mutuel Arkéa group's strategy.

To be in line with regulations, the variable compensation policy must meet the following requirements :

- the variable amount is set by combining the evaluation of the performance of both the individual and the relevant business unit with the institution's overall results;
- the performance evaluation must take financial and non-financial criteria into account.

In addition to the fixed compensation, the variable compensation rewards the quantitative and/or qualitative achievements measured on the basis of actual performance and individual evaluations relative to set targeted.

The assessment of performance is based on both financial and extra financial criteria. There must be a balance between these two types of criteria and compliance with this balance must result in the establishment of objectives and an assessment of their achievement.

It rewards:

- performance that is defined by the successful completion of assignments and the achievement of objectives. An assessment of the latter below 100% cannot result in variable compensation that is higher than the target;
- overperformance occurs when assignments are successfully completed and the achievement of objectives is more than 100%. In this situation, the variable rate may be higher than the target, up to the maximum amount.

Exceptional bonuses

In very specific cases (special assignment and/or exceptional investment) where individual performance goes beyond the stipulations of the employment contract or job description, bonuses may be paid to the Group's employees (except those identified as members of the regulated population). These bonuses must be paid in accordance with the framework of the annual negotiations on compensation approved by the Group's Executive Committee (EXCOM), based on predetermined objectives.

Employee savings

The Crédit Mutuel Arkéa group endeavors to give all employees a stake in the Group's results to allow them to share collectively in the value created.

To this end, collective variable compensation mechanisms have been developed at most of the Group's entities to provide access to value creation (profit-sharing/incentive bonuses). In accordance with the rules applicable to banking institutions, incentives and profit-sharing do not come under the definition of variable compensation.

Social protection schemes

Social benefits depend on the applicable collective agreements. They supplement other forms of compensation and are designed to protect employees from the vagaries of everyday life (personal protection, healthcare costs) and help them prepare for retirement (Retirement Savings Plan).

Employee shareholding

In accordance with Crédit Mutuel Arkéa's cooperative bylaws, stock options, options on debt securities and performance shares are not granted to employees of the Group's subsidiaries.

When the Group acquires majority shareholdings in entities that have implemented employee shareholding schemes, these limited-time mechanisms are maintained but cannot be extended.

As an exception, the Group's decision-making bodies (EXCOM, Board of Directors, specialized committees) may decide on changes to the existing mechanisms, based on their scope of activity.

Carried interest

Carried interest, which corresponds to a capital gains incentive, is understood both as the share of the Alternative Investment Fund's (AIF) profits returned to the manager as a result of the return on the investments made in the AIF (Type 1 carried interest) and as the share of the AIF's profits returned to the manager as compensation for managing the AIF (Type 2 carried interest).

While Type 1 carried interest is excluded from the scope of compensation rules, Type 2 carried interest is considered variable compensation and is therefore subject to all related rules.

The implementation of a carried interest plan within a private equity subsidiary of the Crédit Mutuel Arkéa Group includes governance dedicated to compensation-related matters. In any event, carried interest plans may be implemented exclusively:

- for private equity funds managed on behalf of third parties, and
- at the request of institutional investors or family offices, and for the benefit of the management company's employees, who are members of the management team responsible for the fund in question.

Risk, compliance and internal audit functions

Compensation paid to the personnel of the independent control functions (risk management, compliance and internal audit functions) is set independently of the performance of the business lines whose operations they validate or verify in order to prevent any conflict of interest, and at a sufficient level to ensure the recruitment of qualified and experienced personnel. Therefore, when it is implemented the variable compensation of the internal control functions is based exclusively on individual criteria.

It takes into account the achievement of objectives associated with the function and must be at an appropriate level compared with the professionals whose activity they control, taking qualifications, expertise and responsibilities into account.

The compensation of these employees is designed to dissuade them from excessive risk-taking.

The variable compensation of employees performing internal control functions (risk management, permanent control, compliance and internal audit functions) is capped at 30% of their fixed compensation. Therefore, in accordance with the regulations, the Group ensures that the compensation of these employees is mainly fixed.

Gender pay gap

For several years, the Crédit Mutuel Arkéa group has given careful consideration to the issue of workplace gender equality by taking measures to permanently eliminate pay gaps. With a gender equality index weighted average of 94/100 in 2023 at the Group level, significantly higher than the regulatory requirements, Crédit Mutuel Arkéa demonstrates its long-term commitment to promoting diversity and combating discrimination.

The Group’s objective in this area is to promote workplace equality over the long term and create conditions for true equality at all stages of professional life.

This compensation policy, based on the principle of equal compensation between genders for the same work or work of equal value, is in line with this objective.

16.4. Role of independent control functions

To ensure compliance with regulations and consistency with the Crédit Mutuel Arkéa group’s risk appetite framework, the Crédit Mutuel Arkéa group’s Human Dynamics and Relations Department involves the risk management and compliance functions in drafting the Group’s compensation policy.

In accordance with the provisions of the French Monetary and Financial Code, the Risk and Internal Control Committee is responsible for examining whether the incentives provided for by the credit institution’s compensation policy are compatible with its situation in light of the risks to which it is exposed, its capital, liquidity and the probability and timing of the expected benefits.

Along these lines, the Risk and Internal Control Committee issues an opinion on:

- the Group compensation policy, which includes the provisions applicable to members of the Regulated Population;
- the scope of the Regulated Population.

To ensure that the compensation system takes into account all types of risk and the liquidity and capital levels, that the overall compensation policy is coherent, promotes sound and effective risk management and is in line with the institution's economic strategy, objectives, culture, corporate values and long-term interests, the Compensation Committee assesses the compensation mechanisms and systems used by Group on the basis of the formal opinions issued by the Risk Department and the Compliance and Permanent Control Department. On an annual basis or, where applicable, at the time of each update, the heads of the risk management and compliance functions must, each in their respective area, check that the compensation policy is consistent with the Group's risk profile and with the applicable regulatory requirements. The results of these analyses are presented to the Risk and Internal Control Committee and to the Compensation Committee, which informs Crédit Mutuel Arkéa's Board of Directors of them.

Without prejudice to the duties of the Compensation Committee, joint meetings between the Risk and Internal Control Committee and the Compensation Committee are organized especially for the Crédit Mutuel Arkéa group's compensation policy review, to determine whether the proposed incentives are consistent with the Group's risk appetite framework.

16.5. Compensation policy for the regulated staff

Principles of the compensation policy applicable to the regulated population

In accordance with regulations, the compensation policy applicable to the Regulated Population is based on the following principles:

- the payment of variable compensation to members of the Regulated Population is dependent on the soundness of the financial base of the Crédit Mutuel Arkéa group and/or the entity at which the employee works, as described in the general principles of the Group compensation policy;
- in accordance with the prohibition on guaranteed variable compensation, the award of annual variable compensation is not a right. Where applicable, it is approved, and its amount set, annually based on the compensation policy of the year in question and the governance principles in force, taking into account all the risks to which Crédit Mutuel Arkéa or the Group is or may be exposed, as well as liquidity requirements and the cost of capital, and provided that it does not limit the ability of Crédit Mutuel Arkéa or the Group to build up its capital;
- the payment of exceptional bonuses is prohibited.
- in accordance with the provisions of Article L. 511-85 of the French Monetary and Financial Code, members of the Regulated Population are prohibited from using individual hedging or insurance strategies with respect to compensation or liability in order to limit the risk of loss or the losses that may result therefrom;
- the variable component for a given employee may not exceed 100% of the fixed component.

- the allocation, acquisition and/or payment of variable compensation takes into account the risks taken, via ex ante and ex post risk adjustment mechanisms.

Scope of the regulated population

When the parent company is an entity subject to legislation, the compensation policy and related requirements (CRD Regulation and EBA guidelines) apply to all entities included in the scope of consolidation (whether or not they are themselves subject). The scope of consolidation is the prudential consolidation scope (as defined by Regulation (EU) No. 575/2013).

Crédit Mutuel Arkéa and subject subsidiaries whose balance sheet total for the four-year period immediately preceding the current fiscal year is, on average:

- more than €10 billion, or
- more than €5 billion and which do not meet any of the criteria set out in points c, d and e of Article 4(1)(145) of Regulation (EU) 575/2013,

must define their scope of employees who are members of the Regulated Population on an individual basis.

By 2024, ABEI and ADB are required to determine their own members of the Regulated Population.

The Regulated Population is defined based at least on the criteria set out in Article L. 511-71 of the French Monetary and Financial Code and the Delegated Regulation.

Employees included in the Group's Regulated Population are determined at least annually under the joint responsibility of the Group's human resources, risk and compliance functions. They rely in particular on the subsidiaries' human resources functions, which provide them with all the information necessary to identify members of the Regulated Population.

The scope of the Regulated Population is subject to the oversight of the Compensation Committee and the Risk and Internal Control Committee, which inform Crédit Mutuel Arkéa's Board of Directors.

In accordance with Article L. 511-71 of the French Monetary and Financial Code, the Regulated Population includes, for each entity that defines its scope of employees who are members of the Regulated Population on an individual basis, at least the following categories of employees whose professional activities have a material impact on the institution's risk profile:

- all members of the Board of Directors, Supervisory Board or any other body performing equivalent functions;
- effective managers;
- staff members responsible for managing the institution's control functions or important business units and who report directly to the body performing supervisory functions;
- staff members who were entitled to significant compensation during the previous year, if the following two conditions are met:
    - Compensation is more than or equal to €500,000 and is more than or equal to the average compensation awarded to members of the Board of Directors, the Supervisory Board or any other body performing equivalent functions and to the effective managers of the credit institution, financing company or investment firm paying the compensation. If the staff member receives

compensation from several credit institutions, financing companies or investment firms, the average compensation to be taken into account awarded to members of the Board of Directors, the Supervisory Board or any other body performing equivalent functions and to the effective managers to determine the threshold is assessed at the consolidated level, i.e. at the Group level;

  - they carry out their professional activities at an important business unit and these activities are likely to have a material impact on the risk profile of the business unit in question.

Qualitative and quantitative criteria for identifying other members of the Regulated Population covered by the CRD Regulation are set by the Delegated Regulation.

Terms of acquisition and payment of variable compensation granted to the Regulated Population

Amounts of variable compensation to be deferred

Members of the Regulated Population who receive annual variable compensation that exceeds €50,000 or represents more than one-third of their total compensation are subject to rules regarding the vesting and payment of a portion of their variable compensation on a deferred basis:

- 60% of variable compensation for compensation in excess of €500,000;
- 50% of variable compensation for other compensation.

This deferral period must be spread over:

- five years for corporate officers, members of the Board of Directors and effective managers;
- four years for other members of the Regulated Population.

Financial or similar instruments

In accordance with regulatory requirements, variable compensation is paid as follows, for the deferred portion and the non-deferred portion:

- half in cash;
- half in cash indexed to a composite indicator calculated according to Group consolidated criteria after a 12-month retention period.

Variable compensation vesting and payment conditions

The vesting and payment of variable compensation awarded, for both the portion paid immediately and the deferred portion, are subject to compliance with the conditions set out in the compensation policy and applicable regulations, in particular the requirement that Crédit Mutuel Arkéa and the Group have a sufficiently strong and sound capital base and are still able to build up their capital.

Thus, vesting and payment of variable compensation are subject to compliance with the Group's CET1 risk appetite threshold at each vesting and payment date. If, on an acquisition or payment date, CET1 risk appetite threshold is not complied with, all variable compensation to be vested or received on that date is permanently reduced to zero.

Limit on variable compensation

The variable portion of the total compensation of each member of the Regulated Population may not exceed the amount of the fixed portion of the total compensation.

Departure and mobility

If a member of the Regulated Population leaves or is transferred within the Group, the departure or transfer has no impact on the variable portion for the current year, if such a portion is expected to be paid, or on the deferred portions due and not yet due.

The variable compensation for the current year, if such a portion is expected to be paid, and the deferred portions are therefore always withheld and paid on the usual dates, under the conditions and in the manner originally stipulated.

This compensation, following the departure or transfer, also remains subject to the risk adjustment rules in place at the Group.

Breakup fees

Amounts paid for termination of employment (payments made to staff members in the context of the early termination of a corporate mandate and/or an employment contract which include end-of-term compensation, statutory and contractual compensation for termination of employment contracts and compensation linked to the application of a non-competition clause) fall within the definition of variable incentive compensation.[6]

When paid, these sums are in principle taken into account for the calculation of the ratio between the variable and fixed components of the compensation and the rules of deferral, deferred payment and indexed cash provided for in this Policy are applied.

By way of exception, this is not the case:

i. When the amounts paid constitute a mandatory payment under national labor law or a court order, or

ii. If the entity is able to demonstrate the reasons for and the appropriateness of the amount paid and:

> a. That it is compensation or the portion of compensation specifically identified as linked to a non-compete clause, up to a limit of one year of fixed remuneration, or
>
> b. That these amounts are calculated using a predefined and appropriate generic formula determined in the remuneration policy, in the following cases:

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[6]without prejudice to the possibility for these sums, in compliance with applicable regulations, not to be taken into account for the purposes of calculating the ratio between the variable and fixed components of remuneration and to be exempt from the rules of deferred payment and in financial instruments described in this Remuneration Policy.

- Breakup fees or termination of term compensation in the event of forfeiture of office;
- Compensation paid in the event of the entity's insolvency (collective proceedings);
- Compensation paid in the context of a transfer of a business or activity;
- Settlement in the event of a real labor dispute that could otherwise reasonably give rise to legal action, a fact deemed proven, for example, by the receipt of a letter from a lawyer officially stating grievances and announcing the intention to file an appeal before a court

iii. If these amounts are not calculated using a predefined and appropriate generic formula determined in the remuneration policy, but the entity has demonstrated to Supervision the reasons for and the appropriateness of the amount of an amount paid in one of the four cases provided for in ii.b.

Risk adjustment

Ex ante risk adjustment

Performance criteria are aligned with the Group's and/or the institution's risk profile and do not encourage excessive risk-taking.

Before variable compensation is awarded, a risk adjustment is made, where applicable, to the variable compensation of members of the regulated population.

Ex post risk adjustment

Variable compensation, acquired or paid over the last 5 or 6 years, may be reduced in whole or in part or even recovered, up to 100%, in particular in the event of behavior likely to expose the Crédit Mutuel Arkéa group, or one of its entities, to an abnormal and significant risk, in particular due to its responsibility in actions having resulted in significant losses for the establishment or in the event of a breach of obligations of honorability and competence.

The ex post risk adjustment mechanism is therefore used when:

- the member of the Regulated Population was involved in actions that resulted in significant losses for the institution or was responsible for such actions;
- the member of the Regulated Population did not meet the applicable standards of fitness and propriety;
- the member of the Regulated Population contributed significantly to poor or negative financial performance, and in case of fraud or other intentional or grossly negligent behavior that resulted in significant losses;
- the member of the Regulated Population committed serious misconduct, such as internal rules and procedure breacht;
- the institution or business unit at which the member of the Regulated Population works suffers a significant failure of risk management;
- the institution or business unit at which the member of the Regulated Population works has significant increases in the economic or regulatory capital base;
- the institution or business unit at which the member of the Regulated Population works is subject to regulatory sanctions and the conduct of the staff member contributed to the sanction.

Crédit Mutuel Arkéa has been granted an exemption from the requirements regarding deferral, payment in financial instruments and pensions for members of the regulated population whose annual variable compensation does not exceed €50,000 and does not represent more than one-third of their total annual compensation.

In 2024, this exemption benefited 84 members of the regulated population, whose total compensation amounted to €12,532,861, including €10,715,177 in fixed compensation and €1,817,684 in variable compensation.

16.6. Communication

Shareholders’ meeting

Pursuant to the provisions of Article L. 511-73 of the French Monetary and Financial Code, the Shareholders’ Meeting is consulted annually on the total amount, determined on a consolidated basis, of the compensation paid during the previous year to employees proving the status of effective managers or belonging to the other categories of employees whose professional activities have a material impact on the risk profile of Crédit Mutuel Arkéa or the Crédit Mutuel Arkéa group as a whole.

Provision to employees

The compensation policies of each entity are made available/sent to all staff members (sent by e-mail, made available on the intranet, etc.). Each policy defines its method of communication.

Universal Registration Document and Pillar 3 report

The Universal Registration Document, which constitutes the Corporate Governance Report, includes a section on the compensation of the corporate officers and, in particular, on the compensation paid and payable in respect of the year under review.

The Pillar 3 report includes a section on the Group’s governance and compensation policy.

16.7. Quantitative information on compensation of effective managers and persons whose activities have a material impact on the company's risk profile

Table 59 (EU REM1): Remuneration awarded for the financial year

As at 12.31.2024 In € thousands		MB Supervisory function	MB Management function	Other senior management	Other identified staff
Fixed remuneration	Number of identified staff	3	3	4	102
	Total fixed remuneration	1,440	1,351	1,122	14,205
	Of which: cash-based	1,404	1,302	1,015	12,543
	Of which: shares or equivalent ownership interests	-	-	-	-
	Of which: share-linked instruments or equivalent non-cash instruments	-	-	-	-
	Of which: other instruments	-	-	-	-
	Of which: other forms	36	49	107	1,661
Variable remuneration	Number of identified staff	1	3	4	96
	Total variable remuneration	2	1,276	720	4,309
	Of which: cash-based	2	319	481	3,526
	Of which: deferred	-	319	119	391
	Of which: shares or equivalent ownership interests	-	-	-	-
	Of which: deferred	-	-	-	-
	Of which: share-linked instruments or equivalent non-cash instruments	-	-	-	-
	Of which: deferred	-	-	-	-
	Of which: other instruments	-	957	239	783
	Of which: deferred	-	957	239	783
	Of which: other forms	-	-	-	-
	Of which: deferred	-	-	-	-
Total remuneration		**1,442**	**2,627**	**1,842**	**18,514**

Table 60 (EU REM2): Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)

As at 12.31.2024 In € thousands	MB Supervisory function	MB Management function	Other senior management	Other identified staff
Guaranteed variable remuneration awards				
Guaranteed variable remuneration awards - Number of identified staff	-	-	-	-
Guaranteed variable remuneration awards -Total amount	-	-	-	-
Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap	-	-	-	-
Severance payments awarded in previous periods, that have been paid out during the financial year				
Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff	-	-	-	-
Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount	-	-	-	-
Severance payments awarded during the financial year				
Severance payments awarded during the financial year - Number of identified staff	-	-	-	-
Severance payments awarded during the financial year - Total amount	-	-	-	-
Of which paid during the financial year	-	-	-	-
Of which deferred	-	-	-	-
Of which severance payments paid during the financial year, that are not taken into account in the bonus cap	-	-	-	-
Of which highest payment that has been awarded to a single person	-	-	-	-

Table 61 (EU REM3): Deferred remuneration

Deferred and retained remuneration As at 12.31.2024 In € thousands	Deferred remuneration vested in respect of previous years N-1 and prior years			Amount of performance adjustment applied during the year to deferred remuneration that was due to vest during the year			Remuneration vested in year N paid immediately in N+1 / subject to retention	
	Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
MB Supervisory function	-	-	-	-	-	-	-	-
Cash-based	-	-	-	-	-	-	-	-
Shares or equivalent ownership interests	-	-	-	-	-	-	-	-
Share-linked instruments or equivalent non-cash instruments	-	-	-	-	-	-	-	-
Other instruments	-	-	-	-	-	-	-	-
Other forms	-	-	-	-	-	-	-	-
MB Management function	**2,503**	**529**	**1,974**	-	-	-	-	**1,276**
Cash-based	1,332	318	1,014	-	-	-	-	319
Shares or equivalent ownership interests	-	-	-	-	-	-	-	-
Share-linked instruments or equivalent non-cash instruments	-	-	-	-	-	-	-	-
Other instruments	1,170	210	960	-	-	-	-	957
Other forms	-	-	-	-	-	-	-	-
Other senior management	**1,165**	**281**	**914**	-	-	-	**359**	**359**
Cash-based	598	174	423	-	-	-	359	119
Shares or equivalent ownership interests	-	-	-	-	-	-	-	-
Share-linked instruments or equivalent non-cash instruments	-	-	-	-	-	-	-	-
Other instruments	597	106	490	-	-	-	-	239
Other forms	-	-	-	-	-	-	-	-
Other identified staff	**4,137**	**2,319**	**1,817**	-	-	-	**2,855**	**1,175**
Cash-based	2,858	2,102	756	-	-	-	2,855	391
Shares or equivalent ownership interests	-	-	-	-	-	-	-	-
Share-linked instruments or equivalent non-cash instruments	-	-	-	-	-	-	-	-
Other instruments	1,279	217	1,061	-	-	-	-	783
Other forms	-	-	-	-	-	-	-	-
Total amount	**7,836**	**3,130**	**4,706**	-	-	-	**3,215**	**2,811**

Table 62 (EU REM4): Remuneration of 1 million EUR or more per year

As at 12.31.2024	Identified staff that are high earners as set out in Article 450(i) CRR
€ 1,000,000 to below € 1,500,000	-
€ 1,500,000 to below € 2,000,000	-
€ 2,000,000 to below € 2,500,000	-
€ 2,500,000 to below € 3,000,000	-
€ 3,000,000 to below € 3,500,000	-
€ 3,500,000 to below € 4,000,000	-
€ 4,000,000 to below € 4,500,000	-
€ 4,500,000 to below € 5,000,000	-
€ 5,000,000 to below € 6,000,000	-
€ 6,000,000 to below € 7,000,000	-
€ 7,000,000 to below € 8,000,000	-

Table 63 (EU REM5): Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)

As at 12.31.2024 In € thousands	Management body remuneration			Business areas						Total
	MB Supervisory function	MB Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	
Total number of identified staff										112
Of which: members of the MB	3	3	6							
Of which: other senior management				-	-	-	-	4	-	
Of which: other identified staff				6	56	-	19	11	10	
Total remuneration of identified staff	1,443	2,628	4,071	1,324	9,894	-	1,835	5,755	1,548	
Of which: variable remuneration	2	1,276	1,278	381	2,172	-	373	1,787	315	
Of which: fixed remuneration	1,440	1,351	2,792	942	7,722	-	1,462	3,967	1,232	

17. Appendices

17.1. Declaration of the responsible person

The information considered as proprietary is: the number of obligors broken-down by exposure class and PD range (article 452 g).

Decisions not to publish this information are taken in agreement with the Crédit Mutuel Arkéa group’s management bodies.

Person responsible for the information contained in this document

Anne Le Goff, Associate Chief Executive Officer of Crédit Mutuel Arkéa

Declaration of the responsible person

I certify that the information contained in the Pillar 3 Report as of December 31, 2024 disclosing the information published under Part Eight of EU Regulation No. 575/2013 “CRR”, as amended by the EU Regulation No. 2019/876 “CRR2”, is, to the best of my knowledge, in accordance with the formal policies and internal processes, systems and controls.

Done at Le Relecq Kerhuon, April 04, 2025.

Anne Le Goff, Associate Chief Executive Officer of Crédit Mutuel Arkéa

17.2. List of tables

17.3. Pillar 3 cross-reference table

Article CRR	Thème	Référence Rapport Pilier 3	Pages
435	Risk management objectives and policies	Risk management objectives and policies	1
436	Scope of application	Scope of the regulatory framework	12
437	Own funds	Capital	15
438	Own funds requirements and risk-weighted exposure amounts	Capital - capital requirements	24
439	Exposures to counterparty credit risk	Counterparty credit risk	60
440	Countercyclical capital buffers	Prudential indicators - key metrics	25-26
441	Indicators of global systemic importance	Not applicable for Crédit Mutuel Arkéa whose total exposure (as defined for the leverage ratio) does not exceed €200 billion, which is the trigger point for determining whether an institution is classified as a global systemic institution	-
442	Exposures to credit risk and dilution risk	Credit risk	37
443	Encumbered and unencumbered assets	Information on encumbered and unencumbered assets	88
444	Use of the Standardised Approach	Credit risk - standardized approach	47
445	Exposure to market risk	Market risk	73
446	Operational risk management	Operational risk	90
447	Key metrics	Prudential indicators - key metrics	25
448	Disclosure of exposures to interest rate risk on positions not held in the trading book	Banking book interest rate risk	74
449	Disclosure of exposures to securitisation positions	Securitization	70
449 bis	Environmental, social and governance risks (ESG risks)	ESG Risk	93
450	Remuneration policy	Composition and role of the Compensation Committee	132
451	Leverage ratio	Prudential indicators - leverage ratio	30-31
451 bis	Liquidity requirements	Liquidity risk	78
452	Use of the IRB Approach to credit risk	Credit risk - internal ratings-based approach	49
453	Use of credit risk mitigation techniques	Credit risk mitigation techniques	65
454	Use of the Advanced Measurement Approaches to operational risk	Operational risk	90
455	Use of internal market risk models	Market risk	73

17.4. ESG risk cross-reference table

Table 1 : Qualitative information on Environmental risk

	Business strategy and processes	Related chapter	Page
a)	Institution's business strategy to integrate environmental factors and risks, taking into account the impact of environmental factors and risks on institution's business environment, business model, strategy and financial planning	Chapter 15.3.1	100
b)	Objectives, targets and limits to assess and address environmental risk in short-, medium-, and long-term, and performance assessment against these objectives, targets and limits, including forward-looking information in the design of business strategy and processes	Chapter 15.3.2.2	102
c)	Current investment activities and (future) investment targets towards environmental objectives and EU Taxonomy-aligned activities	Chapter 15.3.2.3	102
d)	Policies and procedures relating to direct and indirect engagement with new or existing counterparties on their strategies to mitigate and reduce environmental risks	Chapter 15.4.3.5	113
	Governance		
e)	Responsibilities of the management body for setting the risk framework, supervising and managing the implementation of the objectives, strategy and policies in the context of environmental risk management covering relevant transmission channels	Chapter 15.2	95
f)	Management body's integration of short-, medium- and long-term effects of environmental factors and risks, organisational structure both within business lines and internal control functions	Chapter 15.2	89
g)	Integration of measures to manage environmental factors and risks in internal governance arrangements, including the role of committees, the allocation of tasks and responsibilities, and the feedback loop from risk management to the management body covering relevant transmission channels	Chapter 15.2	89
h)	Lines of reporting and frequency of reporting relating to environmental risk	Chapter 15.4.4	114
i)	Alignment of the remuneration policy with institution's environmental risk-related objectives	Chapter 15.2.3	99
	Risk management		
j)	Integration of short-, medium- and long-term effects of environmental factors and risks in the risk framework	Chapter 15.1, 15.4.1 and 15.4.3.1	93 / 104 / 110
k)	Definitions, methodologies and international standards on which the environmental risk management framework is based	Chapter 15.1, 15.4.1 and 15.4.2	93 / 104 / 107
l)	Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to environmental risks, covering relevant transmission channels	Chapter 15.4.1 and 15.4.2	104 / 107
m)	Activities, commitments and exposures contributing to mitigate environmental risks	Chapter 15.4.3.5	113
n)	Implementation of tools for identification, measurement and management of environmental risks	Chapter 15.4.2.1 and 15.4.2.2	107 / 108
o)	Results and outcome of the risk tools implemented and the estimated impact of environmental risk on capital and liquidity risk profile	Chapter 15.4.3.4	112
p)	Data availability, quality and accuracy, and efforts to improve these aspects	Chapter 15.4.2.3	110
q)	Description of limits to environmental risks (as drivers of prudential risks) that are set, and triggering escalation and exclusion in the case of breaching these limits	Chapter 15.4.3.1	110
r)	Description of the link (transmission channels) between environmental risks with credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the risk management framework	Chapter 15.1 and 15.4.1	93 / 104

Table 2 : Qualitative information on Social risk

	Business strategy and processes	Related chapter	Page
a)	Adjustment of the institution's business strategy to integrate social factors and risks taking into account the impact of social risk on the institution's business environment, business model, strategy and financial planning	Chapter 15.3.1	100
b)	Objectives, targets and limits to assess and address social risk in short-term, medium-term and long-term, and performance assessment against these objectives, targets and limits, including forward-looking information in the design of business strategy and processes	Chapter 15.3.2.4	103
c)	Policies and procedures relating to direct and indirect engagement with new or existing counterparties on their strategies to mitigate and reduce socially harmful activities	Chapter 15.4.3.5	113
	Governance		
d)	Responsibilities of the management body for setting the risk framework, supervising and managing the implementation of the objectives, strategy and policies in the context of social risk management covering counterparties' approaches to: i) Activities towards the community and society ; ii) Employee relationships and labour standards ; iii) Customer protection and product responsibility ; iv) Human rights	Chapter 15.2 and 15.4.2.2	95 / 108
e)	Integration of measures to manage social factors and risks in internal governance arrangements, including the role of committees, the allocation of tasks and responsibilities, and the feedback loop from risk management to the management body	Chapter 15.2	89
f)	Lines of reporting and frequency of reporting relating to social risk	Chapter 15.4.4	114
g)	Alignment of the remuneration policy in line with institution's social risk-related objectives	Chapter 15.2.3	99
	Risk management		
h)	Definitions, methodologies and international standards on which the social risk management framework is based	Chapter 15.1, 15.4.1 and 15.4.3.1	93 / 104 / 110
i)	Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to social risk, covering relevant transmission channels	Chapter 15.4.1 and 15.4.2	104 / 107
j)	Activities, commitments and assets contributing to mitigate social risk	Chapter 15.4.3.5	113
k)	Implementation of tools for identification and management of social risk	Chapter 15.4.2.2	108
l)	Description of setting limits to social risk and cases to trigger escalation and exclusion in the case of breaching these limits	Chapter 15.4.3.1	110
m)	Description of the link (transmission channels) between environmental risks with credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the risk management framework	Chapter 15.1	93

Table 3 : Qualitative information on Governance risk

	Governance	Related chapter	Page
a)	Institution's integration in their governance arrangements governance performance of the counterparty, including committees of the highest governance body, committees responsible for decision-making on economic, environmental, and social topics	Chapter 15.2 and 15.4.2.2	95 / 108
b)	Institution's accounting of the counterparty's highest governance body's role in non-financial reporting	Chapter 15.2 and 15.4.2.2	95 / 108
c)	Institution's integration in governance arrangements of the governance performance of their counterparties including: i) Ethical considerations ; ii) Strategy and risk management ; iii) Inclusiveness ; iv) Transparency ; v) Management of conflict of interest ; vi) Internal communication on critical concerns	Chapter 15.2 and 15.4.2.2	95 / 108
	Risk management		
d)	Institution's integration in risk management arrangements the governance performance of their counterparties considering: i) Ethical considerations ; ii) Strategy and risk management ; iii) Inclusiveness ; iv) Transparency ; v) Management of conflict of interest ; vi) Internal communication on critical concerns	Chapter 15.4.2	107