

## **Crédit Mutuel Arkéa becomes the first French bank to measure its non-financial impacts in euros in order to calculate its overall performance**

*Brest, 20 October 2021* - **Crédit Mutuel Arkéa, a cooperative and territorial banking group, announces the implementation of a unique methodology that will enable it to measure its overall performance - combining financial and non-financial performance.**

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Crédit Mutuel Arkéa is today unveiling its methodology, designed with technical input from the experts at PwC, for selecting the relevant non-financial indicators for the group and its stakeholders (e.g. number of jobs supported, water consumption, CO<sub>2</sub> emissions, etc.), and converting each of these indicators into euros, a unit already used to calculate financial performance.

The measurement of these two types of performance with the same unit of value to obtain an overall performance is one of the major singularities of this unprecedented approach.

### **Responsibility and pioneering spirit**

This ambitious methodology illustrates in a very concrete way the desire expressed by Crédit Mutuel Arkéa in its Raison d'être (Purpose) and its "Transitions 2024" strategic plan to generate financial and non-financial performance for its stakeholders (members and customers, suppliers, employees), which in turn will create even more financial and non-financial value for the group.

This methodology also stems from the urgency of the environmental and societal situation (fight against global warming, action in favour of social equity and inclusion, protection of resources and biodiversity...) which must push all economic players, and in particular banks that act directly on community and ecosystems, to strengthen their positive impact and reduce their negative impact.

Faced with the challenge of measuring non-financial criteria, and in particular their quantitative assessment, Crédit Mutuel Arkéa wanted to lead the way by proposing its own transparent, open and objectively constructed methodology.

### **Calculating and monetising non-financial performance...**




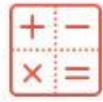
The calculation and conversion into euros of Crédit Mutuel Arkéa's non-financial performance make it possible to assess the effects, positive or negative, - otherwise known as "positive externalities" or

"negative externalities" - produced by Crédit Mutuel Arkéa's activity, including on its stakeholders, on two levels, environmental and societal:

- Environmentally: does its activity contribute to the preservation or destruction of resources? Does it generate a carbon impact?
- On the societal level: will this activity, for example, contribute to supporting local jobs?

The externalities generated by financing and investment activities with clients, by purchases from suppliers, by the cooperative life of members and by the HR policy with employees are thus evaluated and monetised.

In concrete terms, for example, Crédit Mutuel Arkéa assesses the non-financial impacts of a client's activities (number of jobs supported or greenhouse gas emissions, for example) and then converts these impacts into euros. Finally, Crédit Mutuel Arkéa determines its level of contribution to these impacts in proportion to its commitments.

	 Calculation stages	 Description stages	 Example	 Calculation method
<b>1</b>	<b>Impact assessment</b>	quantified statement of impact	Amount of GHG emissions	<b>Indicator value</b> Unit (varies by indicator)
<b>2</b>	<b>Impact monetisation</b>	conversion into euros of the impact	GHG emission benchmark	<b>X</b> <b>Monetisation index</b> € per unit
<b>3</b>	<b>Determination of the CM Arkéa impact</b>	CM Arkéa's share of the company's value	Equal to 10% (for a loan of €100k with a client whose liabilities are of €1m)	<b>X</b> <b>CM Arkéa's share</b> %
<b>Result</b>				<b>=</b> <b>Monetary value of the impact</b>

### ... to be able to calculate the overall performance

Being able to calculate and quantify in euros not only one's financial performance but also one's non-financial performance is a major advance that will allow :

- Helping the group's teams in their decision making: on financing, optimisation of relations with suppliers and purchasing policies, definition and evaluation of HR actions, etc.
- To accompany the group and all its stakeholders towards change and improvement: what are the precise points of improvement and what concrete actions should be implemented to achieve them?
- To evaluate the progress made at all levels over the long term and establish a clear trajectory for progress.

Crédit Mutuel Arkéa is committed to supporting all its customers, whatever their activity, in their environmental and social transition by assessing their positive and negative externalities and providing them with practical solutions to optimise their overall impact.

An initial application of the methodology has been carried out at Arkéa Banque Entreprises et Institutionnels, Crédit Mutuel Arkéa's subsidiary dedicated to financing companies, institutions and real estate professionals, which enabled it to be tested and validated.

The methodology is intended to be applied to all Crédit Mutuel Arkéa group activities. It will be deployed gradually. It will be adapted to the information available and will evolve as the group's extensive data processing work refines the measurement of impacts.



*"With this methodology that we are unveiling today, Crédit Mutuel Arkéa is giving itself the means to achieve the ambitions it clearly stated a few months ago in its Transitions 2024 strategic plan, to go one step further in the management of all its activities, by taking into account a global performance, combining financial and non-financial aspects. This is a great source of pride, and illustrates the group's desire to maximise its positive impact on all its stakeholders.*

- **Julien Carmona**, Chairman of Crédit Mutuel Arkéa -

*"Financial performance, while obviously essential, is no longer sufficient. We are convinced, based on our observation of the world around us, that it is essential to better integrate environmental and social considerations into all of our actions and decisions, and this for all of the Group's businesses. It is also an additional requirement that commits us to our members and customers, our suppliers and our employees.*

- **Hélène Bernicot**, Chief Executive Officer of Crédit Mutuel Arkéa -

*"The ability for Crédit Mutuel Arkéa to measure its overall performance in this way, in an objective and transparent way, is perfectly consistent with the long-term approach the group is taking to take into account societal and environmental issues for future generations, and to practice finance that serves the territories and their stakeholders."*

- **Anne Le Goff**, Associate Chief Executive Officer of Crédit Mutuel Arkéa -

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### **About the Crédit Mutuel Arkéa group**

The Crédit Mutuel Arkéa group is made up of the Crédit Mutuel de Bretagne and Sud-Ouest federations and their member local banks, as well as around 40 specialised subsidiaries (Fortuneo, Monext, Arkéa Banque Entreprises et Institutionnels, Arkéa Investment Services, Suravenir, etc.). It has more than 11,000 employees, 2,800 directors, nearly 5 million members and customers in banking and insurance and total assets of €174.9 billion. Crédit Mutuel Arkéa is one of the leading banking institutions with regional headquarters.

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