



# MISSION COMMITTEE REPORT

April 2024

 A mutualism based on proof  
to build a fairer and more  
sustainable society



## EDITORIAL

This annual report shows the progress made since Crédit Mutuel Alliance Fédérale became a benefit corporation. Three years later, we note an even greater pride in employees and elected members around an innovative mutualism, driven by environmental and societal issues at all levels of the company.

By launching the Societal Dividend in 2023, the Crédit Mutuel Alliance Fédérale group has shown that it wants to be at the forefront of the environmental and societal revolution. In the first year, €439 million were mobilized, *i.e.* 12.5% of annual profits! This unique decision points the way to a virtuous business model with a unique vision of value sharing.

The year 2023, marked by the wave of generative artificial intelligence, reiterated the major challenge for companies to adopt standards that guarantee the ethical use of AI. The Mission Committee is delighted to have been able to help draw up an AI charter of trust, a true contract with all stakeholders and which will be operational from 2024.

The Mission Committee was also consulted on the societal and environmental objectives of the 2024-2027 strategic plan Togetherness, Performance, Solidarity and was able to verify their consistency with the ambitions defined as a benefit corporation.

I would like to thank all the members of the Mission Committee for the quality of their contribution to the many works that punctuated the year. On their behalf, I would also like to thank the group's executives and their teams for their availability and transparency. All the necessary information has been made available to us to ensure the follow-up of all the commitments and thus issue a favorable opinion on their implementation.

**Fleur Pellerin**  
Chairwoman of the Mission Committee



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**Daniel Baal,**  
Chief Executive Officer

**Nicolas Théry,**  
Chairman

## ON COURSE FOR 2027: **TOGETHERNESS, PERFORMANCE, SOLIDARITY**

### Looking back three years, what does being a benefit corporation change?

**Daniel Baal:** For Crédit Mutuel Alliance Fédérale, adopting the status of a benefit corporation has been a powerful lever for accelerating our mutualist commitments. In concrete terms, we have succeeded in doubling the participation of the local banks at our Shareholders' Meetings, for the benefit of a stronger mutualist democracy. In six months, we collectively corrected any unjustified wage disparities that could persist between women and men. And each year we check that the difference between the average compensation of women and men in all categories does not exceed 3%. We have led the way by providing home loans to our loyal customers without any medical formalities - a real revolution in the insurance sector and a major contribution to society. And of course, the creation of the Societal Dividend in 2023 was decisive proof of our environmental and societal ambitions.

### What are the links between the 2024-2027 strategic plan and the group's missions?

**Daniel Baal:** The name of our strategic plan, Togetherness, Performance, Solidarity is fully in line with our *raison d'être*: *Ensemble, écouter et agir* (listening and acting together).

Our strength, which has always been our difference, is our mutualist collective. We will only succeed in this plan if we are together, efficient and supportive. It is an absolute necessity for the company and a source of pride for every employee. This is the source of creativity, innovation, solidity and sustainability. Finally, for each entity, each business line department and each subsidiary, we have a requirement: to set financial and non-financial objectives that are fully in line with our missions.

### What are your environmental and societal ambitions for 2024?

**Daniel Baal:** First, extend our ambitions to all our entities. A project already underway in our Banque de Luxembourg, TARGOBANK in Germany and Cofidis Group subsidiaries. The latter is also committed to the path of a benefit corporation, which I am delighted about, while Banque de Luxembourg became B Corp in 2023. In 2024, with the Mutualist Environmental and Solidarity Institute, a center of ESG expertise, we will improve the monitoring of our environmental and societal objectives. The benefit corporation must give us the impetus to act on a daily basis around new projects and new ambitions.

## Key figures

77,000 employees

15,500 mutualist elected members

31 million customers

4,300 branches

at December 31, 2023

# LET'S BE REVOLUTIONARY

## How can the company act to transform society?

**Nicolas Théry:** Several changes are underway before our eyes: economic, ecological, societal. Now is the time for companies to be revolutionary. By creating the Societal Dividend, we wanted to follow things through with the benefit corporation and show another way, that of financial performance at the service of collective utility. Thanks to this innovative mechanism, we are giving ourselves the means to take effective long-term action to accompany and support transformation projects with a positive impact.

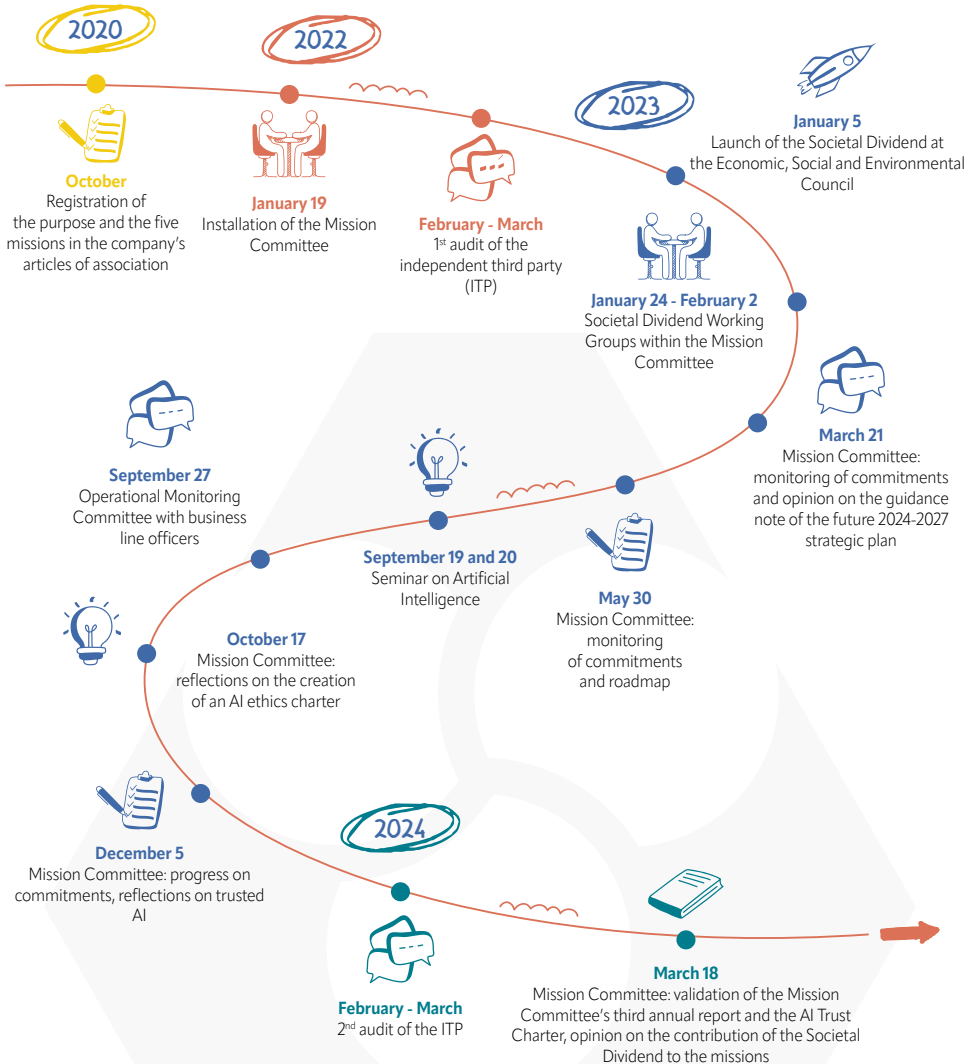
## How do you analyze the new expectations of customers, employees and elected members?

**Nicolas Théry:** Customers are also citizens who are increasingly pushing companies to transform their models and are asking for tangible proof of their commitment. Likewise, employees expect a meaningful company project, capable of giving life to their commitment. Our elected members want a renewed, dynamic and modern mutualism. It is not a question of setting out major principles. Our commitments are therefore extremely tangible in order to change daily life, what I call the mutualism of proof. We have succeeded in making it a source of pride and progress.

## Your message for 2024?

**Nicolas Théry:** With the radical transformations that we have already initiated, by becoming the first corporate bank benefit corporation or by creating the Societal Dividend, we have demonstrated the vitality of our mutualist model. Because we rely on our employees and elected members, technology for high value-added consulting and diversification to support each of our clients' projects, we can be confident in our ability to act for ecological transformation and provide concrete responses to rising social inequalities.

# A LONG-TERM ADVENTURE



# THE SOCIETAL DIVIDEND IN ACTION: COMPLETING OUR MISSIONS

After a year full of initiatives, the Societal Dividend will be fully implemented as part of the 2024-2027 strategic plan. In 2023, €439 million were dedicated to projects with a strong social and environmental value, *i.e.* nearly 12.5% of the group's net income for 2022! Based on the 2023 results, €617 million will be dedicated to the Societal Dividend in 2024. By 2027, more than €3 billion should be mobilized for ecological transformation and social and regional solidarity. By sharing value differently, Crédit Mutuel Alliance Fédérale is putting its financial performance at the service of collective utility.

## 2023 figures

€439m 12.5% of net income

In 2023, Crédit Mutuel Alliance Fédérale, a united and committed company, made a significant contribution to the achievement of its missions, in particular by **strong support for the regions and working for a fairer and more sustainable society**.

Crédit Mutuel Alliance Fédérale has supported associations as close as possible to the regions through very concrete actions: solidarity banking package and actions to combat regional inequalities (fight against solidarity deserts, integration through sport, etc.). The mutualist group has also allocated considerable human and financial resources to the financing of sustainable transformation projects (investment in the production of renewable energy, sustainable food system, biodiversity, soft mobility, etc.).

Finally, many solidarity projects have been carried out: assistance with access to quality housing, support for people with disabilities and caregivers, emergency solidarity. Impact objectives have been defined for each project with qualitative and quantitative indicators (example: metric tons of CO<sub>2</sub> avoided per million euros invested, etc.).

## What action levers?

### For ecological and social added value: the Environmental and Solidarity Revolution Fund

Managed by Crédit Mutuel Impact, the Environmental and Solidarity Revolution Fund invests in projects that generate positive, concrete and measurable impacts for the environment for the benefit of the regions. With a broad investment scope, it is committed to disruptive technological companies and facilitates the scale-up of emerging sectors for societal and solidarity-based transformation. In 2023, €363 million have been committed. Without a target financial return, the fund aims for ecological and/or social capital gains.

### To support all our customers: inclusive and solidarity pricing offers

Crédit Mutuel Alliance Fédérale is developing solidarity bancassurance services to promote the inclusion of all, with support for ecological transformation and special support for its most vulnerable customers. In 2023, **over €8 million** have been committed.

### For more solidarity in sustainable regions: donation and philanthropic actions

Philanthropic and donation actions are carried out at two levels: on the one hand, local donations (carried out directly by the various local banks and Crédit Mutuel Federations, the Caisse Fédérale, the CIC network, subsidiaries and specialized business lines); on the other hand, the donations made via the Fondation Crédit Mutuel Alliance Fédérale, which works in two areas "Solidarity and Territories" and "Environment". In 2023, **€68 million** were allocated to the financing of numerous projects (from the local project supported by the Crédit Mutuel local bank to very structuring actions led by the Fondation Crédit Mutuel Alliance Fédérale).

## THE MISSION COMMITTEE IN ACTION...

Crédit Mutuel Alliance Fédérale was the first bank to adopt the status of a benefit corporation, in line with its historical commitments based on its mutualist values.

This innovative choice aims to create a dynamic of continuous improvement in our practices. In this context, the Mission Committee plays a major role. Coming from multiple backgrounds, the members of the Mission Committee were chosen for their expertise and their interest in taking into account societal and environmental performance in the company's overall performance. They all share the same desire to contribute to the success of Crédit Mutuel Alliance Fédérale's approach.

2022 was the year of the installation of the governance of the Mission Committee and the first measures of commitments. In early 2023, a new step was taken with the implementation of work dedicated to the Societal Dividend, its governance and organization.

The tripartite composition of the committee allows for the convergence of points of view and enriches the debates and reflections:

- **1/3 of independent experts** bringing their outside perspective
- **1/3 of directors** representing the mutualist movement
- **1/3 of employee** representatives

In 2023, as part of this work, the committee organized quarterly plenary meetings devoted to the monitoring of missions, the consultation of the guidance note of the group's 2024-2027 strategic plan, and HR and inclusion issues (workplace equality index, results of the ordinary sexism survey, etc.). In addition, a seminar organized in Strasbourg on the ethics of AI, a highlight of the work carried out in this area throughout the year.



From left to right: **Xavier Jaravel**, Professor at the London School of Economics and member of the Conseil d'Analyse Économique, **Audrey Hammerer**, Director representing the employees of Caisse Fédérale de Crédit Mutuel, **Camille Putois**, Chief Executive Officer of the Business for Inclusive Growth (B4IG) coalition, **Fleur Pellerin**, former minister, founder and CEO of Korelya Capital, **Laurent Torre**, Director representing employees of Caisse Fédérale de Crédit Mutuel, **Sandrine Pelletier**, Chairwoman and Chief Executive Officer of APLIX group and Director of CIC Ouest, **Laurent Nallet**, representative of CIC employees. Absent from the photo: **Marie-Jean Boog**, Chairwoman of the Sarrebourg district and **Jean-Louis Maître**, Chairman of Fédération du Crédit Mutuel Savoie-Mont Blanc.



## ... TO ASSESS MISSIONS

Throughout 2023, the Mission Committee monitored the execution and trajectory of the 15 commitments, which were achieved at December 31, 2023\*. All the business line departments have been mobilized to implement the indicators operationally. For each commitment, an action plan is implemented: definition of the indicator, scope, management system, phasing over time and assessment of the action plan.

KPMG, an independent third-party organization (OTI), verified the achievement of the objectives selected. In February 2024, it audited the commitments (indicators and trajectory) and analyzed the mission report, based on the opinion of the Mission Committee. The OTI met the Mission Committee and its Chairwoman on March 18, 2024. It concluded its work and issued a report including a reasoned favorable opinion on the achievement of social and environmental objectives in the scope concerned by the status of benefit corporation.

## ... GUIDANCE: TRUSTED AI

The Mission Committee also aims to provide its expertise on the company's actions, by shedding light on strategic issues, by exploring new avenues and by being a source of proposals. In 2023, he contributed to the group's discussions on the Societal Dividend and the ethical deployment of AI.

The democratization of generative artificial intelligence has accelerated the use of AI and the automation of certain tasks. Within Crédit Mutuel Alliance Fédérale, artificial intelligence is now used daily by more than 60,000 employees to bring them more simplicity, proactivity and time to devote to customer relationships.

As an industrial bank, the impact of these new technologies on the banking business lines is a reality that must be integrated more than ever into the evolution of our business lines. In this context, the Mission Committee contributed to the group's discussions to ensure the use of artificial intelligence within a framework of trust, respectful of French and European law, and based on the group's mutualist values.

After defining this trust framework, the group has drawn up an ethics charter based on five founding principles:

**Protect** our customers and members' data and digital privacy;

**Guarantee** a transparent and documented use of AI;

**Commit** to an AI that is inclusive and respectful of the environment;

**Develop** an AI trust contract with our customers and employees;

**Ensure** the robustness of Artificial Intelligence-based technological solutions.

2023 figures

60,000 employees use AI on a daily basis

### Our *raison d'être*: ensemble, écouter et agir (listening and acting together)

- **Together**, because we are mutualists. It is the power of our collective of women and men, elected members and employees, who have carried our values of freedom, democracy and solidarity for nearly 150 years.
- **Listen**, because our mission has always been to serve our members and customers according to their needs and to be attentive to the major changes in the world to build a fairer and more sustainable society.

- **Act**. This is proof of mutualism. It is about transforming our collective ability to listen into action. It means developing regions by financing everyone's projects, from individuals to companies, and protecting their savings. It means being at the service of society as a whole by acting over the long term for the common good.

Through our *raison d'être*, we reaffirm not only our historical mutualist values, but also their relevance to meet the major challenges of tomorrow on a daily basis.

\* See the full performance overview. The indicators may vary depending on the commitments and their nature.

# PERSPECTIVES: WHAT DOES BEING A BENEFIT CORPORATION CHANGE?

Becoming a benefit corporation has helped to give new life to mutualism and to accelerate our collective action in the face of the challenges of the company's transformation. Environmental and societal commitments resonated strongly with employees, elected members and, more generally, civil society.

"The actions of *Crédit Mutuel Alliance Fédérale* must irrigate the regions and support the inhabitants who need them. This is why I am particularly delighted to see that the *Societal Dividend* initiatives make it possible to strengthen social ties and show our solidarity with the most vulnerable."



**Marie-Jean Boog**  
Chairwoman of the Sarrebourg district  
(Fédération Crédit Mutuel Centre Est Europe)



**Damien Ernst**  
Deputy Chief Executive Officer  
of Euro-Information

"I am particularly proud of the commitment to digital privacy because it not only protects customer-members' privacy, but also proves that it is possible to innovate and implement cutting-edge technologies in France for everyone. This requires strong convictions and daring to trust each other!"

"Investing the group's equity in French companies to promote innovation, growth and employment in our regions is a commitment of which the teams are proud because we give useful meaning to their actions. We are strengthening the human and sustainable vision of private equity driven by *Crédit Mutuel Equity*. This allows us to align ourselves with a common project, among ourselves, but also with the company directors that we support."



**Emilie Lidome**  
Deputy Chief Executive Officer  
Crédit Mutuel Equity

"Being a benefit corporation represents clear, concrete commitments that give meaning to our cooperative life and our mutualism. Doubling the votes at our local banks' Shareholders' Meetings is an objective that unites elected members and employees and that leads us to better communicate our operating methods to our members, because we must explain to them why their vote is important."



**Véronique De Sesmaisons**  
Chairwoman of the  
Crédit Mutuel Chantenay  
Sainte Anne local bank in  
Nantes (Fédération Crédit  
Mutuel de Loire-Atlantique,  
Centre-Ouest)

"As a benefit corporation, we are determined to go further on the environmental front. Since 2019, the reductions in the carbon footprint of our own business and our portfolios have been aimed at aligning us with the objectives set by the Paris Agreement. With the new strategic plan, we are amplifying our requirements by integrating ESG criteria into our business models to spearhead the environmental and societal revolution. In this context, the Mutualist Environmental and Solidarity Institute will play a key role in supporting our teams and customers in these transformations."



**Marion Cluzeau**  
Director of the ESG Deployment division, Mutualist Environmental and Solidarity Institute



**Laurent Dunat**  
Chairman of the Crédit Mutuel de Caudry local bank (Fédération de Crédit Mutuel Nord Europe)

"The strength of our mutualist movement lies in its ability to constantly renew itself and adapt to a changing world. Its modernity is based on a medium- and long-term vision that enables us to meet the major challenges of tomorrow. Finally, the vitality of our movement depends on active directors representing all generations. As elected members, we have a major role to play in promoting this model and bringing it to life. In this respect, the commitment of everyone in the field, in the Boards and Shareholders' Meetings, is essential. Thanks to the fifteen commitments of the benefit corporation, we are able to grow Crédit Mutuel, embody its ambitions and prepare a better future for our customers and members."

"Our commitments to gender equality, the work-study recruitment of young people excluded from employment and, more generally, non-discrimination are priorities of our diversity and inclusion policy. It means questioning our role as an employer, refusing all forms of discrimination and allowing everyone to develop according to their potential and aspirations. Beyond the numbers, the actions we take demonstrate our desire to take concrete and collective action to guarantee an inclusive work environment that respects all forms of diversity."

**Pascale Ruquet**  
Head of Diversity and Inclusion  
Crédit Mutuel Alliance Fédérale



**Laurent Torre**  
Director representing employees of Caisse Fédérale de Crédit Mutuel

"Fighting against all forms of discrimination is our profession of faith, a constant fight led by all our employees and elected members."

# FIVE MISSIONS TO GUIDE ACTION

## Mission 1

"As a cooperative and mutualist organization, we support our customers and members in their best interests"

## Mission 2

"As a bank for all, members and customers, employees and elected members, we act for everyone and refuse any discrimination"

## Five missions

## Mission 3

"Respectful of everyone's privacy, we place technology and innovation at the service of people"

## Mission 4

"As a solidarity-based company, we contribute to regional development"

## Mission 5

"As a responsible company, we actively work for a fairer and more sustainable society"

## 100% of commitments achieved in 2023

Crédit Mutuel Alliance Fédérale has defined an ambition that places its customers at the heart of its daily action, broken down into fifteen concrete commitments to fight against all forms of discrimination, to protect digital privacy, to act for regional development and to build a fairer and more sustainable society.

- 1 Bring democracy to life in the bank by doubling the number of members voting at Shareholders' Meetings.
- 2 Guarantee to each customer a dedicated, non-commissioned advisor.
- 3 Give more place to young people and move towards parity on Boards of Directors.
- 4 Train all our employees and elected members in the fight against discrimination.
- 5 Recruit 25% of work-study students from priority neighborhoods and rural areas.
- 6 Defend gender pay equality at all levels of the bank.
- 7 Guarantee the privacy of our customers' data by processing 99% of their information in our infrastructures and systems located in France.
- 8 Invest productivity gains from artificial intelligence in employment and development.
- 9 Anchor decision-making centers in the regions with more than 90% of our lending decisions taken at local banks or branches.
- 10 Offer the Pay Asso digital payment solution to our associations and civil liability coverage to their managers.
- 11 Invest 5% of our equity mainly in French companies to promote innovation, growth and employment in our regions.
- 12 Reduce the group's carbon emissions by 20% and the carbon footprint of our investment portfolios by 12%\*.
- 13 Promote the energy transition by no longer financing new oil and gas projects.
- 14 Insure the home loan of our loyal customers without any medical formalities.
- 15 Commit to customers in financial difficulty with an account at €1 net per month without any incident fees.

\* By the end of 2022.

# Mission 1

## SUPPORTING OUR CUSTOMERS AND MEMBERS IN THEIR BEST INTERESTS

**As a cooperative and mutualist organization, Crédit Mutuel Alliance Fédérale's mission is to support its customers and members in their best interests.** By becoming a benefit corporation, our bank wanted to strengthen the listening and voice of its members by giving Shareholders' Meetings a major role. The Shareholders' Meetings are essential moments for bringing the group's democracy to life and defending its mutualist values, which is why the mutualist bank is committed to doubling the number of shareholders at the Shareholders' Meetings of their local bank.

In 2023, members were able to vote in person, on a tablet or remotely (*via* their online banking or smartphone) or delegate their power of decision. This objective was achieved with more than 746,000 members voting in 2023, compared to 248,000 in 2019.

Actions are also carried out, in particular, by the Cooperative and Mutualist Life department to ensure better representation of the company. The changes are encouraging and the governance reform made it possible to achieve parity on the boards of the umbrella bodies in early 2024. Efforts must continue to be made, in particular, on the representation of young people on Boards of Directors.

With the creation of the Cooperative and Mutualist Life department, a dynamic of actions for the next four years has been defined to strengthen the membership, develop the recruitment of elected members and attract new generations (launch of recruitment guides for elected members, etc.). The training of elected members is also essential to fully fulfill their mission. Launched in 2023, the Mutualist University has trained more than 8,000 elected members in ecological and societal transformation.

→ **99.6%** of customers benefited from a dedicated non-commissioned advisor.

The close relationship remains at the heart of our development with the commitment to provide each of our clients with a dedicated, non-commissioned advisor. The excellence of the relationship was rewarded: for the twelfth time with the *Podium de la Relation Client*® in the banking category and once again in the top 10 for Customer Relations, all sectors of activity combined.

"Anchored in society, at the heart of the economic fabric and associations, elected members are united around the values of freedom, responsibility and solidarity. It is important to strengthen their support to carry out their duties under the best possible conditions (training, recruitment, representation, etc.) because the group's future will depend on its ability to mobilize a collective rich in its diversity and expertise."

Jean-Louis Maître  
Chairman of the Fédération  
du Crédit Mutuel Savoie-Mont Blanc



# Trajectory of our operational commitments

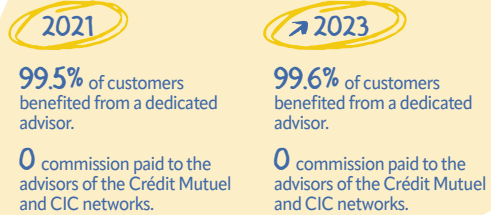
## → Commitment #1

Bring democracy to life in the bank by doubling the number of members voting at Shareholders' Meetings



## → Commitment #2

Guarantee to each customer a dedicated, non-commissioned advisor



## → Commitment #3

Give more place to young people and move towards parity on Boards of Directors from 2022



## Mission Committee opinion

The trajectory of mission 1 is the right one. The Mission Committee welcomes the doubling in 2023 of the number of voters at Shareholders' Meetings, which proves the strong mobilization of local banks. It welcomes the various measures put in place in the Crédit Mutuel Alliance Fédérale federations to increase the number of women and younger people on the Boards of Directors. The results are very encouraging and the momentum must be maintained. Lastly, the committee reiterates the importance of promoting the service of a dedicated non-commissioned advisor for each customer and member, in line with the group's DNA.

\* The percentage of young people under the age of 35 among elected members was 3.26% in 2023 compared to 2.14% in 2021.

## Mission 2

# ACTING FOR EVERYONE AND REFUSING ALL DISCRIMINATION

**As a bank for all, members and customers, employees and elected members, we act for everyone and refuse any discrimination.** \$ also means having a strong employer promise that is consistent with our purpose and missions. A social contract that promotes employment in all regions and builds employee loyalty. As part of the 2024-2027 strategic plan, we have set ourselves the target of more than 75% of employees and elected members being proud of their company.

The fight against discrimination first took the form of a national training plan. In 2023, more than 45,000 Crédit Mutuel Alliance Fédérale employees (98.7% of the social base) and more than 14,000 elected members (95.2% of the elected members) received a comprehensive training course on representations and stereotypes, our values and expected behaviors, etc. Other more targeted actions, in particular for HRDs, social partners and managers, have been undertaken.

### Making differences our greatest asset.

Among the causes defended in the company, gender equality is a priority, particularly with regard to wages. We are committed to reducing salary gaps to a maximum of 3% by category and age group. In 2023, 674 employees benefited from a corrective measure. In addition, a comprehensive program of long-term commitments has been made to promote and support the careers of women.

After joining the #StOpE initiative against ordinary sexism on January 25, 2023, the group renewed its support in early 2024 and launched a manifesto and an internal communication campaign. The whistleblowing system will be strengthened.

Where training is concerned, no session of the School for directors starts without parity. A "Crédit Mutuel-Elles" female network was created in July 2023, with the aim of contributing to the acceleration of the professional success of the group's women.

In a difficult economic context, the group stepped up its action to promote the integration of young people into the professional world. In 2023, Crédit Mutuel Alliance Fédérale exceeded its target: 33% of young people were recruited in priority city neighborhoods and rural areas. More generally, many actions are rolled out in the regions for young people (job dating, integration actions, support for many initiatives at *École de la 2<sup>e</sup> Chance*, Sport in the city, etc.).



**Camille Putois**  
Chief Executive Officer of the  
Business for Inclusive Growth  
(B4IG) business coalition

*"Crédit Mutuel Alliance Fédérale confirmed its long-term commitment to combating discrimination, and promoting gender equality and diversity. The Mission Committee will continue to closely monitor the impact of these actions on gender and inclusion, and progress towards an ever more inclusive company."*



# Trajectory of our operational commitments

## → Commitment #4

Train all our employees and elected members in the fight against discrimination

2022

97.8% of employees  
91.1% of elected members trained in the fight against discrimination.

→ 2023

97.8% of employees  
95.2% of elected members trained in the fight against discrimination.

## → Commitment #5

Recruit 25% of work-study students from priority neighborhoods and rural areas

2021

1,515 work-study students recruited of which 38.2% from priority neighborhoods and rural areas.

2023

1,852 work-study students recruited of which 32.8% from priority neighborhoods and rural areas\*

## → Commitment #6

Defend gender pay equality at all levels of the bank

2022

3,872 employees benefited from a corrective measure.

2023

674 employees benefited from a corrective measure.

## Mission Committee opinion

The Mission Committee applauds the achievement of the indicators and the mission. The measures implemented to ensure gender equality, particularly in terms of pay, to promote women's careers and to combat ordinary sexism in companies, have made real progress possible. With regard to the integration of young people into employment, the committee is delighted at the number of work-study students recruited from priority city neighborhoods and rural areas. The Mission Committee will be particularly attentive to the HR challenges and objectives of the 2024-2027 strategic plan, including those in terms of gender equality. The representation of women in the governing bodies will be one of the points of vigilance of the Mission Committee.

\*See the full performance overview.

## Mission 3

# PUTTING TECHNOLOGY AND INNOVATION AT THE SERVICE OF PEOPLE

**Respectful of everyone's privacy, Crédit Mutuel Alliance Fédérale puts technology and innovation at the service of people.** Because banking is a technological industry, it is essential to constantly innovate, to master the technologies of the future and to ensure that they guarantee the group's sovereignty.

As the first bank to develop artificial intelligence solutions, Crédit Mutuel Alliance Fédérale continues to deploy its cognitive and OCR (optical character recognition) tools in all its business lines for the benefit of customer relations and the time that the advisor can devote to better meeting the needs of their customers. In 2023, more than 2.6 million hours were freed up on administrative tasks in the networks, equivalent to 1,671 FTE. In addition, the group continues to maintain employment with 2,584 permanent hires in 2023.

*The challenge of accelerating the adoption of tools by all is major while continuing to keep customers and employees at the heart of a human relationship.*

Today, we are at the dawn of a new breakthrough combining generative and quantum artificial intelligence, which should enable transactional improvement and free up even more consulting time for customers.

In an increasingly digital world, data protection is a priority for French people. Crédit Mutuel Alliance Fédérale gives itself the technical and financial resources to preserve the integrity and confidentiality of the data entrusted to it and undertakes to process more than 99% of the information in its infrastructures and systems located in France.

To ensure that all these developments continue to be fully controlled, the Mission Committee took part in discussions on the implementation of an AI ethics charter that reflects our values and guarantees a contract of trust with our customers and employees.

*"Artificial intelligence is a tremendous asset for facilitating the work of banking advisors and renewing the customer experience. Nevertheless, it must be deployed in a reasoned and structured manner, taking care not to dehumanize the banking relationship. By developing a trust charter, we reaffirm that technology and innovation must remain at the service of people in accordance with our missions."*



**Xavier Jaravel**  
Professor at the London School of Economics (LSE) and member of the Economic Analysis Council (CAE)

# Trajectory of our operational commitments

## → Commitment #7

Guarantee the privacy of our customers' data by processing 99% of their information in our infrastructures and systems located in France

2021

>99.9% of processing performed on infrastructure hosted in the company's data centers.

2023

>99.9% of processing performed on infrastructure hosted in the company's data centers.

## → Commitment #8

Invest productivity gains from artificial intelligence in employment and development

2021

Productivity gains equivalent to 900 FTE  
Job retention with 1,596 permanent hires.

→ 2023

Productivity gains equivalent to 1,671 FTE  
Job retention with 2,584 permanent hires.\*

"Technology is everywhere in society, it is normal that it is at the heart of the challenges of our banking and insurance business lines. Our group continues its revolution and continues to develop the digital solutions and tools of tomorrow for responsible use in all our businesses, guaranteeing data security and an enhanced relationship of the customer and employee experience."



Laurent Nallet  
Representing CIC employees

## Mission Committee opinion

The Mission Committee notes the achievement of the indicators contributing to the achievement of the mission. It confirms the importance of current and future technological transformations, including investments in quantum. It proposes to reflect on the evolution of the commitment to productivity gains and artificial intelligence. Work on trusted AI, in collaboration with the Mission Committee, made it possible to define an AI ethics charter applicable to the entire group. During its discussions on AI, the committee was attentive to the challenges of transparency, data protection, and the deployment of an inclusive and environmentally-friendly AI.

\*See the full performance overview.

## Mission 4

# CONTRIBUTING TO REGIONAL DEVELOPMENT

**As a solidarity-based company, Crédit Mutuel Alliance Fédérale's mission is to contribute to regional development.** Thanks to its decentralized organization, the mutualist bank acts in an appropriate and efficient manner to meet the needs of its customers.

→ In 2023, **92.9%** of loans decisions are taken locally.

As the leading banking partner of associations, Crédit Mutuel Alliance Fédérale strengthens its commitment to those who develop the life of associations and contribute to the vitality of the regions. Established during the COVID crisis to help associations, Pay Asso is now free, as is the civil liability of executives.

With the Societal Dividend, Crédit Mutuel Alliance Fédérale is stepping up its support for local associations. Since September 2023, local cultural, sports and leisure associations have been 100% exempt from all general operating expenses associated with managing their accounts. These associations benefited from nearly €2 million thanks to the 100% reimbursement of their banking package.

Lastly, Crédit Mutuel Alliance Fédérale, through its subsidiary Crédit Mutuel Equity, supports the initiatives and innovative projects of 280 companies by investing the bank's equity over time with a constant concern for financial, economic, social and environmental impacts. The acquisition of equity investments in SMEs and mid-sized companies helps to develop innovation, growth and employment in our regions.

"Each French region, each territory is a source of wealth and future. Thanks to the density of its network of branches, Crédit Mutuel Alliance Fédérale has always been at the heart of economic and social ecosystems. Today, the challenge is to support all local players, whether they are individuals, associations or innovative companies, who bring these regions to life."



**Sandrine Pelletier**

Chairwoman and Chief Executive Officer  
of APLIX group and Director of CIC Ouest

# Trajectory of our operational commitments

## → Commitment #9

Anchor decision-making centers in the regions with more than 90% of our lending decisions taken at local banks or branches

2021

100% of lending decisions were taken locally within the Crédit Mutuel and CIC networks

↗ 2023

92.9% of lending decisions were taken locally within the Crédit Mutuel and CIC networks

## → Commitment #10

Offer the Pay Asso digital payment solution to our associations and civil liability coverage to their managers

2021

100% of eligible associations can benefit from the Pay Asso solution and free Civil Liability plan for Managers.

2023

100% of eligible associations can benefit from the Pay Asso solution and free Civil Liability plan for Managers.

## → Commitment #11

Invest 5% of our equity mainly in French companies to promote innovation, growth and employment in our regions

2021

5.05% of the group's equity invested by Crédit Mutuel Equity in French companies that have been analyzed for maturity in terms of innovation, growth and/or job creation

↗ 2023

5.83% of the group's equity invested by Crédit Mutuel Equity in French companies that have been analyzed for maturity in terms of innovation, growth and/or job creation\*

## Mission Committee opinion

The Mission Committee welcomes the actions put in place to contribute to the development and vitality of the regions. It is particularly attentive to the means deployed to combat the social isolation of people living in solidarity deserts, by supporting non-profit organizations. The Mission Committee encourages the deployment of future actions in all regions in a balanced manner and according to needs.

\* More than 85% of companies are considered to be innovative, growing and/or creating jobs. See the full performance overview.

## Mission 5

### BUILDING A FAIRER AND MORE SUSTAINABLE SOCIETY

As a responsible company, **Crédit Mutuel Alliance Fédérale** wants to work for a fairer and more sustainable society. With its 2024-2027 strategic plan, the mutualist group is strengthening its commitments to the ecological transition and the decarbonization of the economy.

Crédit Mutuel Alliance Fédérale has committed to reducing its carbon emissions by 20% and the carbon footprint of its investment portfolios by 12% by the end of 2022. After announcing in 2020, its total exit from coal by 2030, the group stopped any financing of new oil and gas exploration, production, infrastructure or transformation projects in 2021.

The launch of the Societal Dividend has accelerated the financing of the ecological and societal transformation. New offers with subsidized pricing encourage customers to switch to soft mobility; more than €6 million were committed in 2023 with the 0% bicycle loan, which already has more than 30,000 beneficiaries - a boost of €200 per beneficiary customer. Significant investments have also been made by the Environmental and Solidarity Revolution Fund in sustainable energy production and food. The Fondation Crédit Mutuel Alliance Fédérale launched its first call for biodiversity projects in the amount of €2.5 million and supports more than 36 associations, particularly for the restoration of marine and ultra-marine ecosystems and terrestrial wetlands.

→ In 2023, **55%** of the group's customers purchasing their main residence did not have any medical formalities compared to approximately 25% at the national level according to the Financial Sector Advisory Committee.

Because health should not be an obstacle to access to home ownership, from November 2021, Crédit Mutuel Alliance Fédérale insured the home loan of its loyal customers for their main residence, without any medical formalities, by going well beyond the legal obligations. In a context of rising consumer prices that is reducing the purchasing power of the most disadvantaged, Crédit Mutuel Alliance Fédérale is reaffirming its desire to act for those in a situation of financial fragility. It undertakes for them with an account at €1 net per month with no incident fees.

"Today, the ecological transition has become obvious for society as a whole. Local banks and branches are on the front line to support our customers, particularly in terms of eco-renovation or clean mobility. To do this, we are adapting our offers, our skills and our tools. Training, particularly for local managers and directors, is becoming an essential link in this transformation."



**Audrey Hammerer**  
Director representing employees of Caisse  
Fédérale de Crédit Mutuel  
(Fédération du Crédit Mutuel Dauphiné-Vivaraïs)

# Trajectory of our operational commitments

## → Commitment #12

Reduce the group's carbon emissions by 20% and the carbon footprint of our investment portfolios by 12% by the end of 2022\*

2020

-20.7% reduction in the group's carbon footprint between the end of 2018 and the end of 2020.

-27.9% reduction in the carbon footprint of customer portfolios between June 2018 and June 2021.

→ 2022

-30.4% reduction in the group's carbon footprint between the end of 2018 and the end of 2022.

-57.6% reduction in the carbon footprint of customer portfolios between June 2018 and June 2023.

## → Commitment #13

Promote the energy transition by no longer financing new oil and gas projects

2021

0 new financing projects in oil & gas since October 2021.

2023

0 new financing projects in oil & gas and strengthening of the Hydrocarbons sectoral policy with new requirements for energy companies producing oil and gas.\*\*

## → Commitment #14

Insure the home loan of our loyal customers without any medical formalities

2021

80,400 beneficiaries.

0 medical formality (up to €500,000 per borrower and for policyholders under the age of 62).

→ 2023

Since the launch in 2021, more than 165,400 beneficiaries.

## → Commitment #15

Commit to customers in financial difficulty with an account at €1 net per month without any incident fees

2022

53,033 beneficiaries.

1<sup>st</sup> year of this measure as a commitment of the benefit corporation.

→ 2023

58,333 beneficiaries.

## Mission Committee opinion

The Mission Committee applauds the achievement of the commitments of mission 5. The trajectory of the group's carbon footprint is remarkable. The first actions rolled out as part of the Societal Dividend have accelerated the momentum. The environmental and societal objectives will have to be adapted in line with the ambitions set in the 2024-2027 strategic plan, and with the support of the Mutualist Environmental and Solidarity Institute.

\* See non-financial performance statement for 2023, France scopes 1, 2 and 3 energy consumption, refrigerant gas leaks, motor fleet and business travel. This indicator is limited to 2022. Planned overhaul of future objectives in line with the new 2024-2027 strategic plan.

\*\* Detailed commitment in the hydrocarbon sector policy, available on the website [www.bfcm.creditmutuel.fr](http://www.bfcm.creditmutuel.fr).

# COMPLETE PERFORMANCE OVERVIEW

## Mission 1

As a cooperative and mutualist organization, we support our customers and members in their best interests

<b>1</b> Bring democracy to life in the bank by doubling the number of members voting at Shareholders' Meetings.		
<b>Indicators:</b> <ul style="list-style-type: none"> <li>• <b>2023: 12.3%</b> of members voting at Shareholders' Meetings at 12/31/2023.</li> <li>• <b>2022: 4.5%</b></li> <li>• <b>2021: NS</b> (Covid situation)</li> <li>• <b>2019: 5.4%</b></li> </ul>	<b>Scope:</b> Crédit Mutuel local banks.	<b>Means:</b> <ul style="list-style-type: none"> <li>• Launch of remote voting on smartphones and tablets in 2022.</li> <li>• Deployment of specific communication actions.</li> <li>• Deployment of the Cooperative and Mutualist Life department.</li> </ul>
<b>2</b> Guarantee to each customer a dedicated, non-commissioned advisor.		
<b>Indicators:</b> <ul style="list-style-type: none"> <li>• <b>2023: 99.6%</b> of customers assigned to a dedicated non-commissioned advisor.</li> <li>• <b>2022: 99.5%</b></li> <li>• <b>2021: 95.5%</b></li> </ul> <p>The proportion of customers who do not have a dedicated advisor corresponds to transitional periods, particularly in the event of a change in the assignment of advisor.</p>	<b>Scope:</b> French banking network (Crédit Mutuel: Crédit Mutuel local banks, corporate business center, Crédit Mutuel and Caisse Fédérale de Crédit Mutuel regional banks, CIC: all regional banks except for CIC DIF restricted to the branch network only).	<b>Means:</b> Human resources policy: no commercial incentive or individual variable compensation.
<b>3</b> Give more place to young people and move towards parity on Boards of Directors from 2022.		
<b>Indicators:</b> <ul style="list-style-type: none"> <li>• <b>2023: 41.8%</b> of women among elected members, <b>3.26%</b> of young people among elected members and <b>19.8%</b> of young people (under 35 as of 12/31) among the newly elected members.</li> <li>• <b>2022: 40.0%</b> of women among elected members, <b>2.37%</b> of young people among elected members and <b>12.8%</b> of young people among the newly elected members.</li> <li>• <b>2021: 39.0%</b> of women among elected members, <b>2.14%</b> of young people among elected members and <b>8.7%</b> of young people among the newly elected members.</li> </ul>	<b>Scope:</b> Crédit Mutuel local banks.	<b>Means:</b> <ul style="list-style-type: none"> <li>• Strengthening communication with the support of the local banks' Boards of Directors.</li> <li>• Deployment of the Cooperative and Mutualist Life department.</li> </ul>



## Mission 2

A bank for all, members and customers, employees and elected members,  
we act for everyone and refuse any discrimination

4

Train all our employees and elected members in the fight against discrimination.

### Indicators:

- **2023: 98.7%** of employees present and **95.2%** of elected members trained in the anti-discrimination module.
- **2022: 97.8%** of employees present and **91.1%** of elected members.

### Scope:

- Social base: Global scope of the group agreement.
- Local banks: all elected members.

### Means:

- Mandatory training module for all employees.
- Mandatory awareness-raising session for Boards of Directors from 2022.
- Deployment of the Mutualist University online for elected members.
- Overhaul of the alert and monitoring system.

5

Recruit 25% of work-study students from priority neighborhoods and rural areas.

### Indicators:

- **2023: 32.8%** of work-study students from priority neighborhoods and rural areas.
- **2022: 42.1%**
- **2021: 38.2%**

### Scope:

Social base: Global scope of the group agreement.

### Comment:

The target has been exceeded. However, there has been a decrease in the recruitment rate in rural areas (ZRR) and priority neighborhoods (QPV). The number of work-study students recruited in 2023 (1,852 vs. 1,515 in 2021) was up by 22%. The number of work-study students from the ZRR and QPV has decreased, despite the offers proposed.

### Means:

- Participation in dedicated "job dating" sessions.
- Strengthening partnerships with associations.
- Testing of new measures to develop integration actions.

6

Defend gender pay equality at all levels of the bank.

### Indicators:

- **2023:** As the majority of discrepancies had been addressed in 2022, **674** employees benefited from a corrective measure in 2023 (**561 women and 113 men**). The indicator monitored is the percentage of average pay gap between women and men by age group and category. Additional work to the scope defined was carried out in the main subsidiaries (TARGOBANK in Germany, Cofidis France, Banque de Luxembourg).
  - **2022:** there were still 37 women out of 27,500 (or 0.1%) whose situation needed to be analyzed. For the others, average gap of less than 3% in categories by age group. 0.5% of payroll expense allocated to correcting gender pay gaps in 2022.
- 3,872 employees** benefited from a corrective measure.
- **2021: NA**

### Scope:

Social base: Global scope of the group agreement.

### Means:

- Negotiation of a group agreement with the representatives of the trade unions for 2022.
- Permanent monitoring of pay gaps with implementation of a dedicated management tool for the HR department.

## Mission 3

### Respectful of everyone's privacy, we place technology and innovation at the service of people

7

**Guarantee the privacy of our customers' data by processing 99% of their information in our infrastructures and systems located in France.**

**Indicators:**

- **2023: >99.9%** of data processed in our infrastructures.
- **2022: >99.9%** (1<sup>st</sup> year of implementation).

**Scope:**

Bancassurance activities in France concerning the processing of customer data. Number of hits for eligible external services: outsourced services are excluded for regulatory or market reasons (interbank systems, market standards, etc.).

**Means:**

- Strong growth in investments in the group's IT infrastructures, via highly secure data centers and private cloud.
- Establishment of two new data centers owned exclusively by Euro-Information, a subsidiary of Crédit Mutuel Alliance Fédérale.
- Internalization of SAAS solutions on the private cloud operated by the internal teams.

8

**Invest productivity gains from artificial intelligence in employment and development.**

**Indicators:**

- **2023: 1,671** productivity gains in FTE, **2,584** permanent hires.
- **2022: 1,570** productivity gains in FTE, **2,378** permanent hires.
- **2021: 900** productivity gains in FTE, **1,596** permanent hires.

**Scope:**

- Scope of FTE gains: France network.
- Scope of recruitment: common social base in France.

**Means:**

- High-growth investments in technology and artificial intelligence.
- Social policy that favors training, career development and job creation.

**Comment:**

- Technological innovation (OCR, email analyzer, electronic signature, digitization of contracts, etc.) frees up administrative time for advisors who can thus focus on supporting their clients in their projects.
- These productivity gains, translated into FTE equivalents, are reinvested in the development of customer relations and employment in accordance with the group's social policy.

## Mission 4

### As a solidarity-based company, we contribute to regional development

<b>9</b> Anchor decision-making centers in the regions with more than 90% of our lending decisions taken at local banks or branches.		
<b>Indicators:</b> <ul style="list-style-type: none"> <li>• 2023: 92.9% of loans granted locally.</li> <li>• 2022: 91.7%</li> <li>• 2021: 91.3%</li> </ul>	<b>Scope:</b> Crédit Mutuel and CIC networks.	<b>Means:</b> <ul style="list-style-type: none"> <li>• Decentralized organization with predominantly local lending decisions.</li> </ul> <b>Comment:</b> <ul style="list-style-type: none"> <li>• Achievement of this objective depends on economic developments (impacts of the economic situation on the granting of credit) or regulatory changes (risk management, levels of delegations).</li> </ul>
<b>10</b> Offer the Pay Asso digital payment solution to our associations and civil liability coverage to their managers.		
<b>Indicators:</b> <ul style="list-style-type: none"> <li>• 2023: 100% of sports and cultural associations have been benefiting from the Pay Asso solution since January 2022 and 100% of managers of customer sports and cultural associations are eligible for free civil liability cover.</li> <li>• 2022: 100%</li> <li>• 2021: 100%</li> </ul>	<b>Scope:</b> France network (Crédit Mutuel local banks and CIC branches).	<b>Means:</b> <ul style="list-style-type: none"> <li>• Free Pay Asso solution for eligible associations.</li> <li>• Free civil liability for eligible executives.</li> </ul>
<b>Eligibility:</b> <ul style="list-style-type: none"> <li>• The Pay Asso solution is free of charge for associations governed by the law of July 1, 1901 or under the local law of Alsace-Moselle, with an exclusively sporting or cultural object and a non-profit purpose, with an annual budget of less than €500,000, and a Crédit Mutuel account holder.</li> <li>• Free civil liability for directors of sports and cultural associations, up to a ceiling.</li> </ul>		
<b>11</b> Invest 5% of our equity mainly in French companies to promote innovation, growth and employment in our regions.		
<b>Indicators:</b> <ul style="list-style-type: none"> <li>• 2023: 5.83% of group shareholders' equity mainly in innovative French companies.</li> <li>• 2022: 5.04%</li> <li>• 2021: 5.05%</li> </ul> <b>Sub-indicators:</b> Maturity of innovation, revenue growth and employment development of portfolio companies at Crédit Mutuel Equity: more than 85% of companies are considered innovative, growing and/or creating jobs.	<b>Scope:</b> Crédit Mutuel Equity.	<b>Means:</b> <ul style="list-style-type: none"> <li>• Dedicated shareholders' equity structure.</li> <li>• Implementation of a dynamic mapping of investments.</li> </ul> <b>Methodology for the sub-indicators:</b> <ul style="list-style-type: none"> <li>• Innovation: annual analysis.</li> <li>• Growth: calculation of revenue differential between year n-1 and first-time investment.</li> <li>• Employment: calculation of revenue differential between year n-1 and first-time investment.</li> </ul>

## Mission 5

As a responsible company, we actively work for a fairer and more sustainable society

12

Reduce the group's carbon emissions by 20% and the carbon footprint of our investment portfolios by 12% by the end of 2022.

### Indicators:

- **Reduction of the group's carbon footprint:** energy, refrigerants, motor fleet, business travel scope - comparison at the end of 2018.
  - December 2022: - 30.4%
  - December 2021: - 21.4%
  - December 2020: - 20.7%
- **Reduction of the carbon footprint of the corporate loan portfolio comparison with June 2018.**
  - June 2023: - 57.6%
  - June 2022: - 54.6%
  - June 2021: - 27.9%

### Scope:

See explanations, scope and methodological details in the group's 2023 non-financial performance statement, included in the 2023 universal registration document available online. As part of the 2024-2027 strategic plan, new indicators and calculation methods will be based on the work carried out by the Mutualist Environmental and Solidarity Institute.

### Means:

- Sectoral policies (coal, mobility, agriculture, hydrocarbons, etc.).
- Energy sobriety policy (office life and travel).

13

Promote the energy transition by no longer financing new oil and gas projects.

### Indicators:

- 2023: 0 financing of new oil and gas projects.
- 2022: 0
- 2021: 0 since October

### Scope:

Crédit Mutuel Alliance Fédérale group.

### Means:

Detailed commitment in the hydrocarbon sector policy, available on the website [www.bfcm.creditmutuel.fr](http://www.bfcm.creditmutuel.fr).

14

Insure the home loan of our loyal customer without any medical formalities.

### Indicators:

- 2023: 40,000 beneficiaries.
  - 2022: 45,000 beneficiaries.
  - 2021: 80,400 beneficiaries.
- The situation of many customers was regularized following this measure, which explains the large number of beneficiaries in the first year.

### Scope:

Crédit Mutuel and CIC networks - France network (Crédit Mutuel local banks and CIC branches).

### Means:

- Elimination of the health questionnaire for loyal customers.
- End of pricing based on the customer's pathology or body mass index.
- End of exclusions of specific risks.

### Eligibility:

Customers domiciling their main income for seven years; insured amount up to €500,000 per borrower for the purchase of the primary residence; policyholder under 62 years of age at the time of underwriting.

15

Commit to customers in financial difficulty with an account at €1 net per month without any incident fees.

### Indicators:

- 2023: 58,333 beneficiaries.
  - 2022: 53,033 beneficiaries.
- 1<sup>st</sup> year of this measure as a commitment of the benefit corporation.

### Scope:

Crédit Mutuel and CIC networks - France network (Crédit Mutuel local banks and CIC branches).

### Means:

Development of a vulnerable customer offer marketed since August 2022.

KPMG SA, an accounting and statutory audit firm registered with the Paris Order of Chartered Accountants under number 14-30080101 and attached to the *Compagnie régionale des commissaires aux comptes de Versailles et du Centre*. French company, member of the KPMG network consisting of independent firms affiliated with KPMG International Limited, a company incorporated under English law ("private company limited by guarantee").

*Société anonyme à conseil d'administration* (joint-stock company with a Board of Directors)  
Registered office:  
2 avenue Gambetta  
CS 60055  
92066 Paris La Défense Cedex  
Share capital: €5,497,100  
775 726 417 RCS Nanterre

# REPORT OF ONE OF THE STATUTORY AUDITORS, APPOINTED AS AN INDEPENDENT THIRD PARTY, ON THE VERIFICATION OF THE EXECUTION OF SOCIAL AND ENVIRONMENTAL OBJECTIVES

Year ended December 31, 2023

To the company's Shareholders' Meeting,

In our capacity as statutory auditor of your company (hereinafter "entity"), designated as an independent third party ("third party"), accredited by COFRAC under number 3-18841, we carried out work aimed at formulating a reasoned opinion expressing a conclusion of moderate assurance on the historical information related to the achievement of the social and environmental objectives that your entity has set for the scope concerned by the status of benefit corporation as presented in the Mission Committee's reports for the period from January 1, 2022 to December 31, 2023, appended to the management reports pursuant to the provisions of Article L.210-10 of the French Commercial Code.

## Conclusion

### Compliance with all social and environmental objectives

Based on the procedures we implemented, as described in the "Nature and scope of the work" section, and the information we collected, we did not identify any significant anomalies that would call into question, for the scope concerned by the status of benefit corporation and at the end of the period covered by our audit:

- the fact that the entity has achieved the operational objectives it has defined for each social or environmental objective selected pursuant to paragraph 2 of Article L.210-10 and included in its articles of association, and
- consequently, Crédit Mutuel Alliance Fédérale complies with each of the social and environmental objectives that it has set itself the mission of pursuing, in line with its *raison d'être* and its activity with regard to its social and environmental challenges.

## Comments:

Without calling into question the conclusion expressed above, we make the following comments:

- Based on our review of the consistency of the entity's objectives, *raison d'être* and activity with regard to its social and environmental issues, carried out in accordance with applicable professional doctrine, it appears to us that the link between the group's *raison d'être* "*Ensemble, écouter et agir* (Listening and acting together)" and its activities could be better specified, this link being nevertheless detailed in the Mission Committee's report. Nevertheless, we understand that the generic nature of the *raison d'être* is partly dictated by the diversity of the group's activities.
- Regarding the operational objective "Investing productivity gains from artificial intelligence in employment and development", we note that it could be clarified, in particular concerning the correlation sought between productivity gains resulting from intelligence on the one hand, and employment and development within the company on the other.

## Preparation of information related to the implementation of social and environmental objectives

The absence of a generally accepted and commonly used framework or established practices on which to base the assessment and measurement of information allows for the use of different, but acceptable, measurement techniques that may affect comparability across entities and over time.

Consequently, information related to the implementation of social and environmental objectives must be read and understood with reference to the entity's procedures (hereinafter the "Guidelines"), the significant elements of which are presented in the reports of the Management Committee (or available on the entity's website or on request).

<sup>1</sup> Cofrac Inspection accreditation, No. 3-1884, scope available on the website [www.cofrac.fr](http://www.cofrac.fr)

## Limitations inherent in the preparation of information related to the implementation of social and environmental objectives

As stated in the Statement, the Information may be subject to uncertainty inherent in the state of scientific or economic knowledge and in the quality of the external data used. Certain information is sensitive to the methodological choices, assumptions and/or estimates made in preparing it and presented in the Statement.

## The entity's responsibility

The entity is responsible for:

- setting up a Mission Committee responsible for preparing an annual report in accordance with the provisions of Article L.210-10 of the French Commercial Code;
- selecting or establishing appropriate criteria and procedures to prepare the entity's Guidelines;
- designing, implementing and maintaining internal control over the relevant information for the preparation of the engagement committee report as well as implementing the internal control that it deems necessary for the preparation of the information related to the execution of the social and environmental objectives that are free from material misstatements, whether due to fraud or error;
- preparing information related to the implementation of social and environmental objectives in accordance with the Guidelines and made available to the Mission Committee.

It is the responsibility of the Mission Committee to prepare its reports on the basis of the information related to the implementation of social and environmental objectives provided by the entity and by carrying out any checks it deems appropriate.

These reports are attached to the Board of Directors' management reports.

## Responsibility of the statutory auditor appointed as an independent third party

Pursuant to the provisions of Article R. 210-21 of the French Commercial Code, it is our responsibility to issue a reasoned opinion expressing a conclusion of moderate assurance on the entity's compliance with the objectives, social and environmental issues that it has set for itself as a benefit corporation.

As it is our responsibility to make an independent conclusion on the information related to the execution of social and environmental objectives, we are not authorized to be involved in the preparation of said information, as this could compromise our independence.

## Regulatory requirements and applicable professional doctrine

Our work described below was carried out in accordance with the provisions of Article R.210-21 of the French Commercial Code, the professional doctrine of the *Compagnie nationale des commissaires aux comptes* relating to this intervention taking into account the verification program and the international standard ISAE 3000 (amended)<sup>2</sup>.

## Independence and quality control

Our independence is defined by the provisions of Article L.822-11 of the French Commercial Code and the profession's code of ethics. Furthermore, we implemented a quality control system that includes documented policies and procedures intended to ensure compliance with professional standards and applicable regulations and legislation, ethical rules and the professional doctrine of the *Compagnie nationale des commissaires aux comptes*.

## Means and resources

Our work was conducted by a skilled team of four persons, took place between December 2023 and April 2024 and lasted for seven weeks.

To assist us in carrying out our work, we called on our specialists in sustainable development and social responsibility. In particular, we conducted around 20 interviews with those responsible for preparing historical information related to the execution of social and environmental objectives.

## Nature and scope of the work

We have planned and carried out our work taking into account the risk of material misstatement of the information relating to the execution of the social and environmental objectives that the entity sets itself the mission of pursuing in the scope concerned by the status of benefit corporation.

We believe that the procedures we conducted in the exercise of our professional judgment enable us to provide a moderate assurance engagement.

We obtained an understanding of the entity's activities in the scope concerned by the status of a benefit corporation, the formulation of its *raison d'être* as well as its social and environmental challenges.

Our work focused on:

- on the one hand, the consistency of the social and environmental objectives adopted pursuant to paragraph 2 of Article L.210-10 and included in its articles of association, and the purpose of the entity specified in its articles of association (hereinafter: after "*raison d'être*") and its activity with regard to its social and environmental issues;
- on the other hand, the execution of these objectives.

<sup>2</sup> ISAE 3000 (amended) – Assurance engagements other than audits or reviews of historical financial information.

Concerning the consistency of the entity's objectives, *raison d'être* and activity with regard to its social and environmental challenges:

- We conducted interviews to assess the commitment of management and members of governance with regard to the expectations of the main internal or external stakeholders affected by the entity's activity.
- We assessed the processes put in place to structure and formalize this approach by relying on:
  - the information available in the entity (for example, minutes of Board meetings, discussions with the Social and Economic Committee, minutes or support for meetings with internal or external stakeholders, risk analyses);
  - the roadmap of the benefit corporation and the last reports of the Mission Committee drawn up since the last audit;
  - where applicable, its publications (e.g. sales brochure, management report, integrated report, non-financial performance statement, on the website).
- Given the entity's activity with regard to its social and environmental challenges, we assessed the consistency between:
  - the information collected;
  - the *raison d'être* and
  - the social and environmental objectives set out in the articles of association.

With regard to the implementation of the social and environmental objectives, we inquired about the existence of operational objectives and key indicators for monitoring and measuring their achievement by the entity at the end of the period covered by the audit for each social and environmental objective, and we verified whether the operational objectives were achieved with regard to the trajectories defined by the entity in the scope concerned by the status of benefit corporation.

To do this, we carried out the following procedures:

- we took note of the documents prepared by the entity to report on the exercise of its mission, in particular the provisions specifying the operational objectives and the associated monitoring procedures, as well as the reports of the Mission Committee;
- we inquired about the assessment of the execution of the social and environmental objectives from the Mission Committee and we corroborated the information collected with the perception that the stakeholders have of the effects and impacts of the entity. In addition, we reviewed the analysis presented in the Mission Committee reports and the results achieved at the maturity of the operational objectives in relation to their defined trajectories, to assess compliance with social and environmental objectives;

- we asked the entity's Executive Management about the financial and non-financial resources implemented to meet the social and environmental objectives;
- we verified the presence in the Audit Committee reports of indicators consistent with the operational objectives and able to demonstrate the positioning of the operational objectives on their defined trajectories;
- we assessed the adequacy of the resources implemented to meet the operational objectives in relation to their trajectories, compared to the evolution of business over the period;
- we verified the accuracy of all these indicators, and in particular:
  - assessed the appropriateness of the entity's Guidelines with regard to its relevance, completeness, reliability, neutrality and understandability;
  - verified that the indicators cover the entire scope concerned by the status of benefit corporation;
  - took note of the internal control procedures implemented by the entity and assessed the collection process aimed at ensuring the accuracy of these indicators;
  - implemented analytical procedures consisting of verifying the correct consolidation of collected data as well as the consistency of changes to them;
  - implemented detailed tests based on sampling or other selection methods, consisting of verifying the proper application of definitions and procedures, and of reconciling data with supporting documents. This work was carried out by audits at the entity's head office and covers 100% of the data used to calculate the indicators;
  - assessed the overall consistency of the Mission Committee's reports with regard to our knowledge of the entity and the scope concerned by the status of benefit corporation.

The procedures performed for a moderate assurance engagement are less extensive than those required for a reasonable assurance engagement performed in accordance with professional doctrine of the Compagnie nationale des commissaires aux comptes; a higher level of assurance would have required more extensive audit work.

Paris la Défense, April 9, 2024  
KPMG SA



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