

Energy transition and combating climate change **Crédit Mutuel Alliance Fédérale is tightening its conditions regarding oil and gas producing companies**

From July 1, 2024, energy companies without a planned year-on-year oil and gas reduction trajectory will no longer benefit from financing from Crédit Mutuel Alliance Fédérale and its subsidiaries. In view of the acceleration of climate change, this unprecedented commitment for a banking group of our size resonates with our Societal Dividend policy of eschewing revenue streams in the interest of the common good.

As the first bank to adopt the status of a benefit corporation, Crédit Mutuel Alliance Fédérale today announces that it is strengthening its commitments to a low-carbon economy. In concrete terms, the mutualist group is setting stricter requirements around oil and gas producing companies. From the second half of 2024, Crédit Mutuel Alliance Fédérale will cease to finance and work with¹ companies that continue to develop new oil and gas exploration and production projects. This will be assessed on the basis of the company's level of oil and gas production².

The mutualist group will also cease working with companies in the energy sector that have not implemented a credible and verifiable net zero trajectory for 2050, entailing a significant reduction in production by 2030.

These decisions by Crédit Mutuel Alliance Fédérale bolster its environmental engagement around a sector with one of the highest levels of greenhouse gas emissions, consistent with its own low-carbon trajectory and the Paris Agreement.

As a reminder, in February 2020, Crédit Mutuel Alliance Fédérale was the first bank in France to completely halt the financing of companies developing new coal production capacities. It was also the first to adopt a progressive exclusion policy applicable to companies developing new unconventional oil and gas capacities, which it began to apply at the start of 2021. These commitments were broadly welcomed by NGOs.

Further strong commitments were made in 2021 and 2022 around mobility, supporting the transition of agricultural businesses and in the conventional oil and gas sectors in order to assist our customers in transforming their business models.

The new policy announced today completes the various measures already taken by Crédit Mutuel Alliance Fédérale over the last four years, making it one of Europe's most engaged banking groups in the effort to transition to a low-carbon economy.

Crédit Mutuel Alliance Fédérale will continue its involvement in the renewable energy and low carbon projects of the companies concerned by these measures as part of its support for climate-related transition efforts. It also intends to continue participating in and/or subscribing for green bonds issued to fund renewable projects.

As part of a rigorous shareholder engagement policy, the Group's companies may continue to hold the shares of such "excluded" companies, acquired on the secondary market, in their balance sheets with the aim of encouraging them to adopt a trajectory that is aligned with the Paris Agreement.

July 1, 2024: cessation of work with companies that continue, year after year, to develop new oil and gas exploration and production projects. Cessation also of dealings with companies that have not implemented a credible and verifiable net zero trajectory for 2050, entailing a significant reduction in production by 2030. This will be assessed on the basis of the company's level of oil and gas production².

¹ The phrase "cease to work with" can be taken to mean any new operation or renewal of an operation for a company that is shown in the bank's consolidated balance sheet or any participation in a market transaction that aims to finance said company.

² From July 1 of year n, any company whose production in year n-1 is higher than the lowest level of production since 2022 inclusive will be excluded.

About Crédit Mutuel Alliance Fédérale

One of France's leading bankinsurers, with more than 77,000 employees serving more than 30 million customers, Crédit Mutuel Alliance Fédérale's 4,500 branches offer a diversified range of services to private individuals, local professionals and companies of all sizes. Ranking among Europe's strongest banking groups, its equity totaled €56.7 billion and its CET1 ratio was estimated at 18.2% as of December 31, 2022.

Crédit Mutuel Alliance Fédérale is made up of the following Crédit Mutuel federations: Centre Est Europe (Strasbourg), Sud-Est (Lyon), Ile-de-France (Paris), Savoie-Mont Blanc (Annecy), Midi-Atlantique (Toulouse), Loire-Atlantique et Centre-Ouest (Nantes), Centre (Orléans), Normandie (Caen), Dauphiné-Vivaraïs (Valence), Méditerranéen (Marseille), Anjou (Angers), Massif Central (Clermont-Ferrand), Antilles-Guyane (Fort-de-France) and Nord Europe (Lille).

Crédit Mutuel Alliance Fédérale also includes Caisse Fédérale de Crédit Mutuel, Banque Fédérative du Crédit Mutuel (BFCM) and all its subsidiaries, in particular CIC, Euro-Information, Assurances du Crédit Mutuel (ACM), Targobank in Germany, Cofidis, Beobank in Belgium, Banque Européenne du Crédit Mutuel (BECM), Banque de Luxembourg, Banque Transatlantique and Homiris.

Find more information at www.creditmutuelalliancefederale.fr/en

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