First Amendment to the 2025 Universal Registration Document

INCLUDING
BFCM'S INTERIM FINANCIAL REPORT AT JUNE 30, 2026

Crédit Mutuel
Alliance Fédérale

BANQUE FÉDÉRATIVE
Crédit Mutuel

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First Amendment to the 2025 Universal Registration Document

including BFCM's interim financial report at **June 30, 2026**

This global presentation document is prepared by Banque Fédérative du Crédit Mutuel (BFCM) as part of the expansion of its investor base, in order to meet the specific needs of certain markets in which it operates.

In order to provide the same level of information to all investors on the European continent, in North America and in the Asia-Pacific region, BFCM decided, for greater clarity and readability, to implement a single universal registration document that includes the financial and sustainability information of Crédit Mutuel Alliance Fédérale (which provides a complete economic vision of the group's activities) and of BFCM (the issuer). This document will be useful for all of BFCM's refinancing programs (Euro Medium-Term Notes program; U.S. Medium-Term Notes Program; Euro Commercial Paper; Negotiable debt instruments).

Accounts have not been audited, but are subject to a limited review.
2025 universal registration document filed with the Autorité des marchés financiers (AMF - French Financial Markets Authority) on April 8, 2026, as number D.26-0233.
First amendment to the 2025 universal registration document, filed with the Autorité des marchés financiers on August 6, 2026, as number D.26-0233-A01.

This first amendment to the universal registration document was filed on August 6, 2026, with the AMF, as the competent authority under Regulation (EU) 2017/1129, without prior approval, in accordance with Article 9 of the regulation. The Universal registration document can be used for the purposes of a public offering of securities or for the admission of securities to trading on a regulated market if it is supplemented by a note on the securities and, where relevant, a summary and all amendments to the universal registration document are included. These are approved by the AMF in accordance with Regulation (EU) 2017/1129.

This is a translation into English of the first amendment to the Universal registration document issued in French and it is available on the website of the Issuer. The English language version of this report is a free translation from the original, which was prepared in French. All possible care has been taken, to ensure that the translation is an accurate presentation of the original. However, in all matters of interpretation, views or opinion expressed in the original language version of the document in French take precedence over the translation.

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Presentation of Crédit Mutuel Alliance Fédérale and BFCM

PREAMBLE

« Crédit Mutuel Alliance Fédérale continues to deliver solid performance and pursue its growth in both its retail banking and insurance business and its specialized business lines, in France and abroad. Its sound, diversified business model, backed by highly dedicated teams and focused on providing the best possible service to its customers and members, enables it to continuously create greater value to share with as many people as possible, thereby fulfilling its commitments as a benefit corporation. The group continues to invest extensively in people, technology, and innovation so that it can fully meet the tremendous challenges of the future. » **Daniel Baal, Chairman**

« This first half-year demonstrates the success of our 2024–2027 Togetherness Performance Solidarity strategic plan, with our banking networks delivering excellent results. With 18 months to go, we are on track to meet, or even exceed, the targets we set in our plan. Every day, we focus both on the commitment of our employees and on the satisfaction of our customers and members. » **Claude Koestner, Chief Executive Officer**

Strong growth in half-year results driven by retail banking and insurance

Crédit Mutuel Alliance Fédérale delivered excellent results in the first half of 2026. They were driven by the vitality of its banking networks and by the insurance business, while the specialized business lines proved their solidity. This performance confirms the progress made under the Togetherness Performance Solidarity 2024–2027 strategic plan.

Growth driven by the core business

Crédit Mutuel Alliance Fédérale delivered excellent results, driven by its core business thanks to the complementary nature of the group's business lines. Net revenue reached €9.8 billion (+11.8%), and net income came in at €2.1 billion (+14.2%).

A retail bank with a European footprint

The banking networks, the group's long-standing core business, posted excellent performance, with net income of €921 million (+51.7%), driven by Crédit Mutuel and CIC, which reported higher net interest margins and commissions.

With 14.8 million customers in the French networks in the first half of the year, net customer growth across all markets – individuals, professionals, businesses, farmers and non-profit organizations – is on track to exceed the target of reaching 15 million customers by end-2027.

Europe is a key area of growth for Crédit Mutuel Alliance Fédérale. In Germany, the group's second-largest domestic market, TARGO Deutschland GmbH, which includes TARGOBANK and OLB, reported net income of €251 million. Commercial activity in Germany was buoyant, with net revenue up +8% at constant scope.

The German bank OLB, acquired by the group on January 2, 2026, made a limited contribution to Crédit Mutuel Alliance Fédérale's net income due to first-time consolidation effects in accordance with IFRS.

Cofidis Group, which operates in nine European countries, and Beobank, in Belgium, reported net revenue of €889 million and €167 million, respectively.

Insurance still enjoying strong growth

Group Assurances du Crédit Mutuel (GACM) posted net income of €519 million (+7.0%) in France and Europe.

For the first time, its written premiums reached €10.0 billion in the first six months (+13.5%), driven by strong performance in savings & retirement insurance and P&C and protection insurance. GACM has 7.68 million policyholders.

Specialized business lines performing at high levels

CIC Corporate and Institutional Banking (CIC CIB) posted net income of €280 million (+0.2%). This new brand, launched in 2026, brings together corporate banking and investment banking as well as capital markets activities with the aim of supporting large corporate customers in France and internationally.

In a more challenging environment, private equity generated net income of €129 million (-23.8%). Asset management and private banking came in at €121 million (-5.7%).

One of Europe's most solid banking groups

The cost of risk was -€1.2 billion (+34.3%), of which 15.1 percentage points were related to the first-time consolidation of OLB. Its risk profile is higher due to its focus on the corporate sector, where margins are higher. At constant scope, the cost of risk rose by +19.2% in a more uncertain economic and financial environment, which is affecting some companies.

At June 30, 2026, **equity amounted to €72.6 billion, and the estimated CET1 ratio stood at 19.4%** (excluding the consolidation of OLB, the ratio would be 20.3%). Crédit Mutuel Alliance Fédérale thereby confirms its position as one of Europe's most solid banking groups.

Operational efficiency financing investments to strengthen the model

As an industrial and socially responsible bank, Crédit Mutuel Alliance Fédérale is committed to investing heavily in its employees, its expansion in Europe, and technology to strengthen its model. By maintaining a high level of operational efficiency, the group uses its own earnings to fund its future performance.

Significant investments financed by revenue growth

General operating expenses amounted to €5.6 billion (+11.5%). These investments were financed by net revenue growth (+11.8%). Excluding the effects of the consolidation of OLB and non-recurring items (social security contributions relating to long-service awards, provisions for the restructuring of the media division and provisions relating to leasehold rights), the rise in general operating expenses was limited to +2.8%.

Overall, the cost/income ratio was maintained at an excellent level of 57.2%. Adjusted for non-recurring items, the ratio was 55.0%.

Investing in employee skills

The group rewards the skills of its teams, because the quality of customer service is its greatest asset, particularly in the Crédit Mutuel and CIC networks, where customers have access to a dedicated non-commissioned local advisor.

The policy aimed at improving quality of life at work is highly acclaimed. The most recent example is Le Figaro's 2026 "Parenting in the workplace" ranking, which puts the group in first place among banks and seventh among large French companies.

Significant efforts have also been made to provide employees with training throughout their careers, particularly to address the challenges of the ecological transition. 80% of employees have now received training on climate risks through the Mutualist Institute for the Environment and Solidarity.

In the first half of 2026, 78% of employees said they were proud of their company, and **95% of elected members were proud to be associated with Crédit Mutuel**, according to the #vousavezlaparole survey conducted by the Opensquare institute, a significantly higher level of loyalty than its peers.

Expanding our banking and insurance model in Europe

The group is rolling out its relationship model in Europe, primarily in Germany, its second-largest domestic market, where it already generates 12% of its net income.

The acquisition of OLB accounts for 4.6 points of the rise in general operating expenses, mainly due to non-recurring integration costs. The first six months proceeded according to schedule, confirming the potential for operational and commercial synergies between TARGOBANK, OLB, and Bankhaus Neelmeyer.

This half-year also saw the exclusive rollout of ACM Deutschland's products and services across the TARGOBANK network in Germany, enabling the group to ramp up its expansion in Germany.

Acceleration in technology

To roll out its model in Europe, the group draws on in-house technological capabilities provided by its subsidiary, **Euro-Information**.

The first half was marked by an acceleration in the rollout of generative artificial intelligence tools and preparations for the next phase of agent-based AI, including a tenfold increase in internal computing capacity. 36,000 employees use internal generative AI solutions on a daily basis, and 14 million tasks were completed with the assistance of generative AI in the first half of 2026.

Continuing the transformation of the business model

For Crédit Mutuel Alliance Fédérale, such efficiency is not an end in itself, as it benefits both customers and society as a whole.

Against this backdrop, t**he Mutualist Institute for the Environment and Solidarity launched an ESG index for the group's banking networks at the end of the first half.**

Each month, it measures the contribution of the networks' achievements to environmental and social goals, using a weighting system that reflects the specific impact of each solution. Each federation and each regional bank is therefore encouraged to keep making progress in this area.

Initially launched for the retail market, the index will be gradually extended to corporate customers and private banking. It contributes to the group's goal of reducing the carbon footprint of its balance sheet by 20% by 2027.

A benefit corporation serving the public interest

In the first half of the year, Crédit Mutuel Alliance Fédérale fully embraced its role as a benefit corporation to continue supporting the environmental transition, regional economies, the non-profit sector, and its customers and members. The record Societal dividend of €633 million was also fully allocated.

Benefit corporation: launch of three new engagements

As the first bank to adopt the status of a benefit corporation, Crédit Mutuel Alliance Fédérale adopted 20 new engagements in October 2025. The first half of 2026 was the first full period of implementation.

Among the 20 engagements adopted in October 2025, three were implemented for the first time during the half-year.

In February, Caisse Fédérale de Crédit Mutuel and CIC activated the Mutualist emergency fund, created to respond to critical circumstances when floods affected more than 250,000 people, particularly in western France. Each of the two entities contributed €100,000 to the Civil Protection teams, which enabled the opening of shelters and the funding of emergency repairs.

In March, the engagement, which aims to prevent over-indebtedness by promoting financial and budgeting education among customers, took effect. To mark Financial literacy week, the Crédit Mutuel and CIC networks launched Décode, a financial literacy program for 14- to 27-year-olds that combines short, freely accessible videos with workshops held at local banks and branches.

In April, the engagement that allows members to participate in selecting projects funded by the Societal dividend was implemented for the first time. The group invited them to allocate a budget of €180,000 among three organizations supported by the Foundation: Rura, STOP Exclusion Énergétique and Refugee Food. More than half a million members cast their votes.

A record Societal dividend in 2026

Established in January 2023, the Societal dividend allocates 15% of the group's net income each year to the common good. It will total €633 million in 2026, bringing the total amount raised since its inception to more than €2.2 billion.

This year, it will be distributed as follows: €316 million for the Environmental and Solidarity Revolution Fund, €97 million for inclusive and solidarity-based pricing schemes, and €87 million for sponsorship and support for the non-profit sector.

The Environmental and Solidarity Revolution Fund

Since January 2026, the Environmental and Solidarity Revolution Fund, which is funded by the Societal dividend, has announced several investments in France.

Among its new investments are Jimmy in Île-de-France (industrial heat producer), Agriodor in Rennes (an olfactory biocontrol solution, an alternative to pesticides), Seacure in Marseille (combating coastal erosion using Géocorail®), and Neocem in Lille (low-carbon cement).

Since its inception in 2023, the Fund had a total of 26 investments at end-2025 and assets of more than €1 billion (€1.02 billion).

Solidarity-based initiatives to reduce inequality and support projects

In keeping with its mission, the mutualist group continued to develop solidarity-based pricing schemes designed to support its members and customers.

The Crédit Mutuel and CIC networks were particularly active in terms of mobility. A subsidized loan with a 1% interest rate was launched to enable as many as possible to buy new or used electric vehicles as fuel prices continue to rise. Similarly, a "0% Coup de Pouce Mobilité" loan enabled healthcare and personal care professionals to continue providing their services.

Crédit Mutuel Alliance Fédérale also stepped up its support for the agricultural sector by making its "Installation Agri" and "Coup de Pouce Agri" loans permanent and allowing them to be combined, in order to finance both start-up costs and investments for its farming customers.

A stronger engagement for the non-profit sector

With a budget of €65 million in 2026 (+16%), the Foundation is further expanding its efforts throughout France at a time when cuts in public subsidies are putting many non-profit organizations at risk.

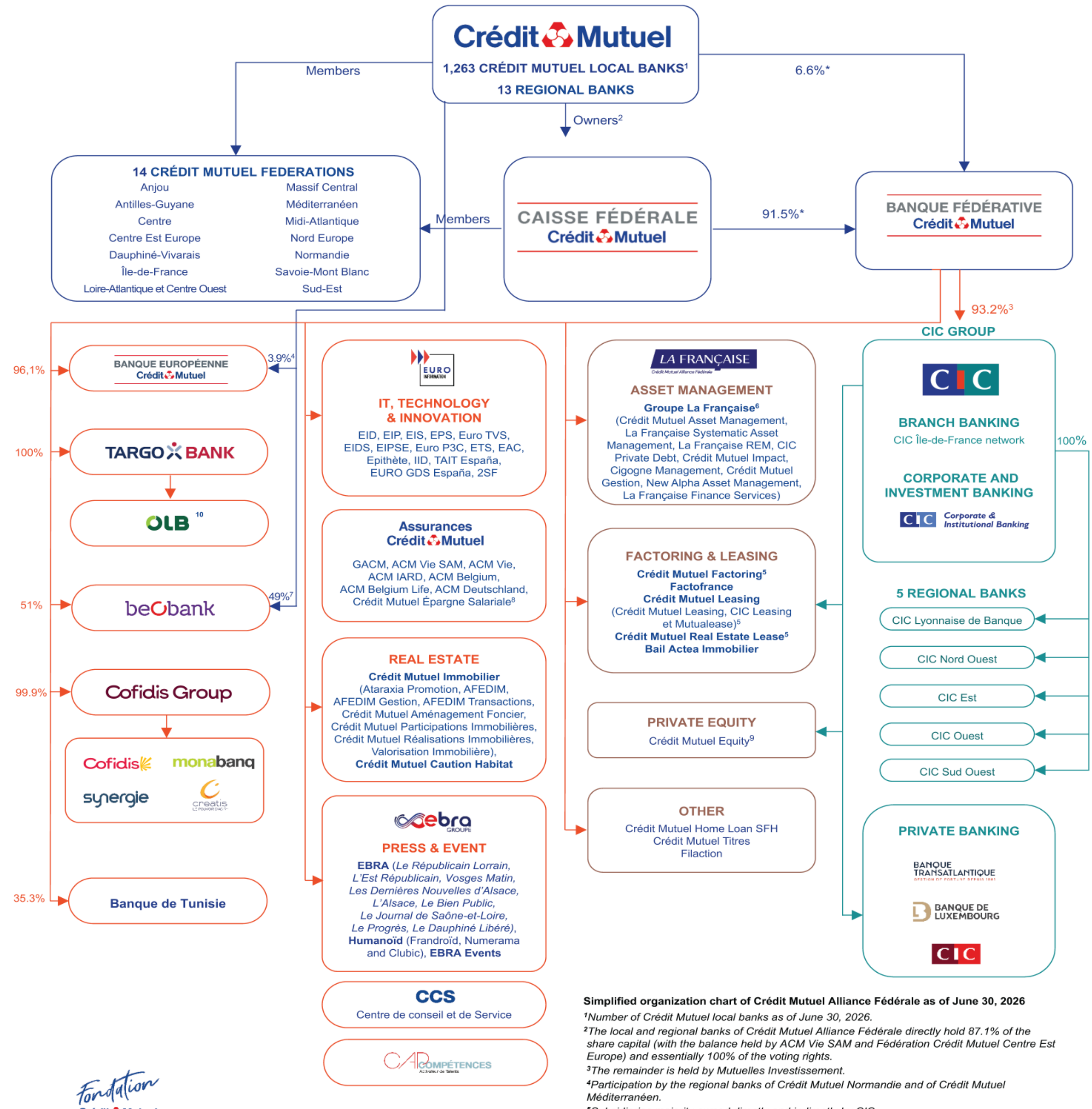
In the first half of the year, **it became a major sponsor of the National Museum of Natural History, making a three-year commitment of €4.5 million to support biodiversity.** Euro-Information, the technology subsidiary of Crédit Mutuel Alliance Fédérale, also made an exceptional donation of nearly 5,000 computers to 14 associations supported by the Foundation.

1.1 ORGANIZATION OF CRÉDIT MUTUEL ALLIANCE FÉDÉRALE

Crédit Mutuel Alliance Fédérale's organization reflects its status as a cooperative bank and its local presence close to its customers and members.

The territorial network favors at each level – local, regional, national – a greater involvement of employees and elected members ensure a high level of responsiveness and support for customers and members that best serves their interests. It allows for a short decision-making circuit, a good distribution of risks and quality control. The various levels of Crédit Mutuel Alliance Fédérale operate according to the principle of subsidiarity: at the level closest to the member, the local bank is a genuine local player, with the other levels carrying out the tasks that a local bank cannot itself assume.

SIMPLIFIED ORGANIZATION CHART OF CRÉDIT MUTUEL ALLIANCE FÉDÉRALE



Simplified organization chart of Crédit Mutuel Alliance Fédérale as of June 30, 2026

¹Number of Crédit Mutuel local banks as of June 30, 2026.

²The local and regional banks of Crédit Mutuel Alliance Fédérale directly hold 87.1% of the share capital (with the balance held by ACM Vie SAM and Fédération Crédit Mutuel Centre Est Europe) and essentially 100% of the voting rights.

³The remainder is held by Mutuelles Investissement.

⁴Participation by the regional banks of Crédit Mutuel Normandie and of Crédit Mutuel Méditerranéen.

⁵Subsidiaries majority owned directly and indirectly by CIC.

⁶Since January 1st 2024, subsidiary owned 60% by BFCM and 40% by Caisse Régionale of Crédit Mutuel Nord Europe.

⁷49% held directly by the regional bank of Crédit Mutuel Nord Europe.

⁸ 85% held by GACM and 15% by Groupe La Française .

⁹ Private equity of Crédit Mutuel Alliance Fédérale.

¹⁰ OLB is a subsidiary of TARGO Deutschland GmbH.

**The remainder (1.9%) is held by Crédit Mutuel Maine-Anjou, Basse-Normandie (1.4%) and Crédit Mutuel Océan (0.5%).*

Fondation Crédit Mutuel

Sheltered by the Fondation de France, the Fondation Crédit Mutuel Alliance Fédérale has, since March 2021, federated all the networks, subsidiaries, employees and elected representatives of Crédit Mutuel Alliance Fédérale around strong and collective patronage actions in two areas of action: solidarity in the territories and preservation of the environment.

1.2 Events in the first half of 2026

January 2026

Completion of the acquisition of OLB and scaling up in Germany

On January 2, 2026, Crédit Mutuel Alliance Fédérale acquired 100% of Oldenburgische Landesbank (OLB) via the holding company TARGO Deutschland GmbH, which is owned by Banque Fédérative du Crédit Mutuel.

This major transaction is fully aligned with the 2024-2027 strategic plan, Togetherness Performance Solidarity. Crédit Mutuel Alliance Fédérale intends to roll out its banking and insurance model in Europe, and particularly in Germany, its second largest domestic market.

TARGOBANK has become the 10th-largest privately held bank in Germany, serving 4.8 million customers through a network of more than 400 branches with total assets of €81 billion (combined figures as of end-2025) under the TARGOBANK, OLB, and Bankhaus Neelmeyer brands.

The governance changes associated with this acquisition ensure optimal alignment of the two banks' strategies, consistent with those of Crédit Mutuel Alliance Fédérale, TARGOBANK's parent company.

ACM Deutschland, TARGOBANK's exclusive insurer

After receiving approval from the German financial supervisory authority (BaFin) in July 2025, ACM Deutschland, the German subsidiary of Assurances du Crédit Mutuel, became TARGOBANK's exclusive insurer on January 1, 2026.

Rollout of the new CIC CIB brand dedicated to corporate customers

In line with its ambitions in the corporate market, Crédit Mutuel Alliance Fédérale has launched the new CIC Corporate & Institutional Banking brand, which brings together all of the group's expertise in corporate banking and capital markets activities.

CIC Corporate & Institutional Banking combines teams, know-how, and expertise under a single brand to strengthen its business offerings in the areas of corporate banking, capital markets, and asset services in France and at its international subsidiaries.

February 2026

Granting of approved platform status for electronic invoicing

Euro-Information, the shared technology platform of the Crédit Mutuel and CIC banking networks, was granted approved platform status by the Direction générale des finances publiques (DGFiP - General Directorate of Public Finance) after successfully completing the technical clearance phase.

The Crédit Mutuel and CIC networks can now offer their professional and corporate customers the HBS e-invoicing solution, a secure and sustainable e-invoicing service based on this platform. It is fully integrated into the online banking apps of both banking networks.

Start of exclusive negotiations with Hellio Solutions to acquire its French operations

Crédit Mutuel Alliance Fédérale entered into exclusive negotiations with Hellio Solutions, a leading energy management company in France, with a view to acquiring its French operations to drive its growth and offer an integrated service to all its customers. This project is part of Crédit Mutuel Alliance Fédérale's strategic plan, Togetherness Performance Solidarity. It has set a goal of helping 100,000 customers with energy-efficient home renovations by 2027.

March 2026

A new brand identity to reflect Cofidis' European ambitions

Cofidis Group, a subsidiary of Crédit Mutuel Alliance Fédérale, unveiled the new logo for its flagship brand. This new brand identity, which was launched in France and is gradually being rolled out across the nine countries where Cofidis operates, marks a strategic phase of growth and transformation. It clearly reflects the company's positioning, which is based on sustainable performance, outstanding customer relationships, and responsibility.

June 2026

Corporate governance changes

The Board of Directors of Caisse Fédérale du Crédit Mutuel, on the recommendation of its Chairman, Daniel Baal, appointed Claude Koestner as Chief Executive Officer to succeed Éric Petitgand. Anne Sophie Van Hoove will continue as Chief Operating Officer.

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Crédit Mutuel Alliance Fédérale and BFCM business report

INTRODUCTION

The activity report covers both Crédit Mutuel Alliance Fédérale (point 2.2) and BFCM (point 2.3).

The activity report of Crédit Mutuel Alliance Fédérale – in which BFCM is integrated – provides a more complete economic view of the group's activities. It includes entities not included in the consolidation scope of BFCM alone such as the network of local banks, ACM Vie SAM (mutual insurance company), IT subsidiaries and the GIE CCS (Centre de Conseil et de Services).

The activity report of the BFCM perimeter is also presented to meet the publication requirements of the interim financial report.

2.1 ECONOMIC AND REGULATORY ENVIRONMENT IN THE FIRST HALF OF 2026

2.1.1 Economic environment

First half of 2026 : global economy challenged by the closure of the Strait of Hormuz

H1 2026 was dominated by the escalating conflict between the United States and Iran, which was the main source of geopolitical uncertainty for the global economy and financial markets. Military strikes, disruptions to energy supplies and tension regarding the Strait of Hormuz led to a sharp rise in oil prices, reigniting inflationary pressures in most major economies. Against this backdrop, central banks adopted a cautious approach. The Fed and the Bank of England kept their key rates unchanged, faced with a delicate balancing act between an economy that was broadly resilient but weakened by the energy shock, and inflation that had started to rise again. The European Central Bank (ECB) raised its key rates for the first time in three years in June. Nevertheless, energy prices were able to fall after the signing of a memorandum of understanding between the US and Iran in June, reopening the Strait of Hormuz to shipping traffic. At the same time, trade tensions persisted, particularly in the US, where the Trump administration continued to pursue its protectionist strategy despite several legal setbacks. In China, economic activity remained relatively robust thanks to support from the monetary and fiscal authorities, and Beijing sought to strengthen its diplomatic influence in resolving tensions in the Middle East.

H1 2026 dominated by the conflict between the United States and Iran

In the **United States**, H1 2026 was characterized mainly by the escalation and then gradual easing of tensions with Iran, which constituted the main source of geopolitical uncertainty for financial markets. US military strikes targeting Iranian infrastructure and ports, Iran's retaliatory attacks on regional energy facilities and uncertainties surrounding the reopening of the Strait of Hormuz fueled a sharp rise in oil prices, rekindled inflationary pressures and drove up US sovereign yields (with the 10-year maturity rising by nearly 25bp over the half-year). The Personal Consumption Expenditures (PCE) price index thus gradually rose to +4.1% in May. This prompted the Fed to maintain a cautious stance and leave its key rates unchanged at 3.50-3.75%, while adopting a more hawkish tone, against a backdrop of fears relating to an economic slowdown. News from the central bank was dominated by the appointment of Kevin Warsh as Chairman of the Fed, a figure perceived as favoring a more restrictive monetary policy following his first press conference.

The announcement of a memorandum of understanding between the US and Iran, paving the way for a peace agreement and allowing the Strait of Hormuz to reopen to oil shipments, may nevertheless have helped to ease tension in the energy markets and reduce inflation expectations. On the trade front, Donald Trump's protectionist policy suffered a major setback with the US Supreme Court's decision to overturn part of the sweeping customs tariffs, although this did not put an end to trade tensions. Donald Trump has continued to use other legislative tools and mechanisms to impose replacement tariffs, and has indicated that he does not intend to renew the free trade agreement with Canada and Mexico (USMCA). Despite sluggish growth in Q1 and temporary signs of weakness in the labor market – which rebounded at the end of the half-year, buoyed by exceptional factors such as the FIFA World Cup – business sentiment surveys remained positive and US equity markets showed good resilience. Following a sharp correction during the period of tension in the Middle East, the S&P 500 was buoyed by strong corporate earnings and, above all, by investors' ongoing enthusiasm for technology stocks linked to artificial intelligence.

Geopolitical tensions in the Middle East led the ECB to resume its key rate hikes

In the **euro zone**, economic activity initially held up well at the start of the year, before geopolitical tensions erupted in the Middle East – degrading the outlook for growth, reviving inflationary pressures and triggering a rise in European sovereign yields. The closure of the Strait of Hormuz and the sharp increase in energy prices caused inflation to accelerate in the euro zone, reaching +3.2% in May, while activity showed signs of running out of steam in the spring, as illustrated by the slowdown of growth and the retreat of PMI (Purchasing Managers' Index) surveys into contraction territory. In the face of inflationary pressures, the ECB eventually lifted its key rates by 25bp at its monetary policy meeting in June. On the trade front, relations with the United States have continued to be marked by uncertainties related to Donald Trump's politics. Tensions related to President Trump's territorial overtures for Greenland and the introduction of new customs tariffs slowed down the ratification of the Turnberry trade agreement between the United States and the European Union – which, in theory, sets a ceiling of 15% for customs tariffs on European goods. After a favorable start to the year, European equity markets were significantly impacted by the continent's greater exposure to the conflict in the Middle East and energy prices, before being supported once more as tensions eased.

A resilient Swiss economy, albeit hampered by the appreciation of the Swiss franc and geopolitical uncertainties

In **Switzerland**, economic activity showed some resilience at the start of 2026, underpinned by the strong performance of the services sector and inflation that remained very moderate (+0.6% in May). However, the Swiss franc's status as a safe haven led to the currency appreciating at the start of the conflict with Iran, before it returned to its pre-war level. This development weighed on the competitiveness of exporting companies and the industrial sector, as Martin Schlegel, Governor of the Swiss National Bank (SNB), stressed at the last monetary policy meeting. Against this backdrop, the SNB kept its key rate unchanged at 0%, while reiterating its commitment to intervening on the forex market in order to prevent an excessive appreciation of the Swiss franc that could jeopardize price stability.

A French economy weakened by the energy shock and a deteriorated geopolitical environment

In **France**, the government managed to pass the budget for the 2026 fiscal year at the start of the year, dissolving fiscal uncertainty and enabling the 10-year OAT-Bund spread to temporarily ease. On the economic front, however, activity remained fragile. After resilient growth at end-2025, the conflict in the Middle East and the soaring cost of energy prices gradually weighed on the French economy. PMI surveys flagged up a marked deterioration in the services sector, while manufacturing only temporarily benefitted from companies stockpiling to protect themselves from supply chain disruption stemming from the war in Iran. In the end, Q1 economic growth was negative, impacted by declining consumption, investment and, most importantly, exports. At the same time, inflation was back on the rise due to growing energy prices, reaching +2.4% in May, while remaining below inflation in the euro zone as a whole. Against a backdrop of deteriorated public finances, the government announced several measures to support the sectors most exposed to the energy shock and a slowdown in activity.

In the United Kingdom, H1 2026 saw political tensions and monetary policy uncertainties

In the **UK**, the first half of 2026 saw mixed economic activity, with inflation remaining above its target and political tensions mounting. After a relatively buoyant start to the year, driven by a rebound in the services sector, growth gradually slowed. The labor market remained fragile, as reflected in the fall in the number of jobs and the rise in the unemployment rate. Although inflation eased in the spring, it remained a source of concern given the geopolitical tensions in the Middle East and rising energy prices. Against this backdrop, the Bank of England kept its key rate unchanged throughout H1, while adopting a more hawkish stance regarding inflationary risks. UK sovereign yields rose at the start of the conflict between Iran and the US due to inflationary fears and, subsequently, because of political instability. Indeed, the political situation deteriorated significantly during the half-year. Weakened by several controversies, growing divisions within the Labour Party and defeats in the local elections, Keir Starmer finally resigned as Prime Minister. Labour's Andy Burnham, Mayor of Greater Manchester and a candidate for the party leadership, fueled investors' concerns regarding the fiscal and economic policies of his potential new government, keeping UK sovereign yields high and reinforcing market caution.

The Chinese economy remained buoyant amid an uncertain geopolitical climate

In **China**, H1 2026 was characterized by ongoing government support for the economy, with the People's Bank of China confirming at the start of the year that it would maintain an accommodative monetary policy. Economic activity proved resilient overall, with growth of +5% in Q1 and a gradual improvement in manufacturing indicators during the spring, underpinned by foreign trade, which offset persistently weak domestic demand, difficulties experienced by the property sector and continued low household confidence. Inflation remained moderate, despite a slight uptick linked to rising energy prices. Finally, Sino-US tensions showed signs of easing, with the resumption of trade talks between the two countries during the half-year and a meeting between Donald Trump and Xi Jinping.

As regards **raw materials**, the first half of the year was characterized by high volatility in the energy markets amid geopolitical tensions in the Middle East. Disruptions to shipping through the Strait of Hormuz and to energy production in the Gulf states caused prices to soar in Q1, with Brent crude oil exceeding $100 per barrel and European gas prices rising sharply. In Q2, the start of negotiations between the United States and Iran, the establishment of a ceasefire and the subsequent signing of a protocol allowing the Strait to reopen to shipping traffic helped ease price pressures, with Brent crude oil returning to around $73 per barrel and European gas to €43 per MWh. Having risen sharply earlier in the year against a backdrop of expectations of a cut in US key rates, the price of gold fell back after the outbreak of the war in Iran due to expectations of monetary tightening by central banks and the halting of central bank purchases aimed at defending their currencies against the appreciation of the dollar.

2.1.2 Regulatory environment

Regulations contribute to market stability, the soundness of institutions, and customer protection. The national, European and international regulatory environment in which Crédit Mutuel Alliance Fédérale operates is constantly changing to adapt to the macroeconomic environment, technological developments and the emergence of new risks, particularly in relation to climate change. The teams of the various business lines within Crédit Mutuel Alliance Fédérale are fully committed to ensuring that our activities comply with regulations, and to keeping pace with regulatory developments.

The beginning of 2026 continued to be marked by political and geopolitical instability, exacerbated by the Middle East conflict, and trade tensions, particularly in relations with the United States. As a result, it is important to take resilience issues into particular consideration.

Changes in the prudential framework with the finalization of the Basel III reform and the regulatory approach to solvency risk

The rules derived from the finalized standards set by the Basel Committee and known as Basel III have been gradually phased in since January 1, 2025. Regulation (EU) 2024/1623 of May 31, 2024 (known as CRR 3) is directly applicable in all EU Member States. The European Banking Authority (EBA) is responsible for preparing technical implementation standards (guidelines and recommendations) and began consultations on its draft standards at the beginning of 2025. Directive (EU) 2024/1619 of May 31, 2024 (known as CRD IV) was transposed into French law by order no. 2026-255 of April 8, 2026. The new market risk rules, known as FRTB (Fundamental Review of the Trading Book), will come into force on January 1, 2027, as the European Union has decided to postpone their application until that date. However, in early June, the European Commission proposed to defer their implementation until December 31, 2029, through a delegated act, which will take effect unless the European Parliament and the Council of the European Union object within three months.

In terms of credit risk, the reform updates the parameters for calculating the capital requirement for credit risk under the standardized approach, in order to make it more precise and granular.

The texts also change the standardized approach to market risk and require the use of a standardized approach for calculating RWA[1] relating to operational risks.

With the gradual entry into force of the output floor, the capital requirement must be determined under both the standardized approach and the internal approach and may ultimately not be less than 72.5% of the amount calculated under the standardized approach.

With regard to liquidity risk, regulation (EU) 2025/1215 of June 17, 2025 establishes the net stable funding factors (NSFR) applicable to certain securities transactions, as provided for in the CRR regulation on capital requirements. Initially, these net stable funding requirements were scheduled to increase from June 28, 2025. Every five years, the EBA will reassess the appropriateness of maintaining these lighter requirements, which could lead to an increase or decrease in these requirements.

In the area of operational risk, the EBA has initiated a change in the regulatory framework by revising several guidelines. To this end, it held consultations in 2025. The relevant guidelines relate to the management of risk associated with third-party service providers, the definition of ancillary services companies included in the prudential consolidation scope, and the incorporation of ESG issues and the risk of greenwashing into product oversight and governance arrangements for retail banking products.

In early 2026, the European Commission launched a public consultation on the competitiveness of the European banking sector. This consultation, which will form the basis of a report, aims to identify ways to simplify European prudential rules without jeopardizing the stability of European banks. The European Central Bank (ECB) and the European Banking Authority (EBA) have, in turn, begun engaging in discussions about ways to simplify their approaches, particularly with regard to the disclosure of information by reporting institutions. The EBA has also initiated a discussion on simplifying the rules specifically concerning credit risk (discussion paper published in February 2026).

At the same time, in the second half of 2025, the EBA conducted a public consultation on updating its guidelines on the internal governance of institutions. The revised version proposed by the EBA would strengthen requirements, notably in terms of formalizing the duties and functions of members of the management body and preventing and managing conflicts of interest.

The results of the EBA's EU-wide stress test for 2025 were published on August 1, 2025. This stress test was designed to assess the resilience of the European banking sector in the current volatile geopolitical and macroeconomic environment. The adverse scenario assumes a significant aggravation of geopolitical tensions accompanied by higher commodity and energy prices and the introduction of protectionist measures by governments. The results confirmed that European banks are highly resilient. For 2026, the ECB has announced a stress test focused on geopolitical risks. As part of this stress test, banks will have to identify geopolitical scenarios that could lead to a deterioration in their Common Equity Tier 1 (CET1) capital of at least 300 basis points. The results of this stress test will be published in the summer of 2026.

Lastly, in November 2025 the ECB published the results of the Supervisory Review and Evaluation Process (SREP) it had carried out during the year. The results showed that the observed indicators remained broadly stable compared with the previous year. The points raised by the ECB relate to credit risk, internal governance, capital adequacy, and operational risk. At the same time, the ECB published its prudential priorities for the period 2026-2028. It places particular emphasis on geopolitical risks and sets as priorities, firstly, resilience to geopolitical risks and macroeconomic uncertainties, and secondly, strengthening operational resilience and capabilities in information and communication technologies (ICT).

In addition, the reform of the European Central Bank's prudential Supervisory Review and Evaluation Process (SREP), which began in 2025, is continuing in 2026 with the aim of achieving more targeted, effective, and transparent supervision that is tailored to current risks. This will result in more concise decisions that focus on major risks, with greater consideration given to climate, environmental, and geopolitical risks. In addition, at the end of June 2026, the EBA updated its guidelines on the supervisory review and evaluation process and stress testing, with the aim of enabling a more proportionate and institution-specific approach, by incorporating provisions on ESG risks and risks related to information and communication technologies (ICT).

The requirement to manage climate and ESG risks

The ECB continues to consider the management of climate-related and environmental risks (C&E) to be one of its supervisory priorities for the 2025-2027 period. The CRD VI/CRR III reform requires banks to put in place transition plans with time-bound objectives. In January 2025, the EBA published guidelines on ESG risk management, supplemented by guidelines on ESG risk scenario analysis, published in November 2025. It also held a public consultation on updating its guidelines on product oversight and governance arrangements for retail banking products, to incorporate ESG issues and the risk of greenwashing. The update to the EBA's guidelines on the supervisory review and evaluation process (SREP) and stress tests, scheduled for late June 2026, includes provisions addressing ESG risks. The European Supervisory Authorities' joint committee on banking, financial markets, and insurance (ESAs Joint Committee) published guidelines on ESG stress testing in early January 2026.

The European Commission had mandated the three European supervisory agencies to conduct a stress test in 2023-2024 to assess the resilience of the financial sector in the medium term, in relation to the transition risk implied by the "Fit-for-55" package. The results of this stress test were published in November 2024 and demonstrate the potential disruptive effects of adverse scenarios coupled with macroeconomic shocks, while attesting to the relatively high resilience of European banks.

Directive (EU) 2026/470 of February 24, 2026, known as Omnibus I, amends the CSRD (Corporate Sustainability Reporting Directive) and CS3D (corporate due diligence on sustainability and human rights directive) to facilitate their implementation by reducing the regulatory burden on companies, with a view to promoting competitiveness.

The CSRD, transposed into French law in December 2023, aims to strengthen the quality and comparability of sustainability reporting. It replaces the 2017 NFRD (Non Financial Reporting Directive) and includes the new obligations that companies will have to comply with in terms of non-financial performance reporting. Its entry into force, initially scheduled for 2025, has

[1] *Risk-weighted assets.*

been postponed by two years to allow for the adoption of simplification measures to facilitate corporate reporting and the implementation of the new provisions (however, companies affected by the first wave starting in 2025, with disclosures relating to the 2024 fiscal year, including credit institutions, must apply the CSRD immediately). The Omnibus I Directive has limited its scope to companies with more than 1,000 employees and revenues exceeding €450 million.

Directive (EU) 2024/1760 of June 13, 2024, known as CS3D, establishes a corporate due diligence duty for European companies by requiring them to implement measures to mitigate the negative impacts arising from their activities, including in their relationships with partners and subcontractors. Its implementation deadline has been extended by one year (until July 26, 2027), and its scope has been limited by the Omnibus I Directive to companies with more than 5,000 employees and revenues exceeding €1.5 billion.

In addition to these simplification measures, a reform of the European Sustainability Reporting Standards (ESRS) is currently under consideration.

At the same time, the European Commission remains committed to its greenhouse gas emission reduction targets and published a recommendation in February 2025 on the goal of reducing emissions by 90% by 2040. The ultimate goal of achieving carbon neutrality by 2050 remains unchanged.

The SFDR (Sustainable Finance Disclosure Regulation), the provisions of which were submitted for consultation at the end of 2023, will be revised, in particular to simplify its application and ensure consistency between all texts (ESMA guidelines on funds' names, CSRD, etc.). The European Commission presented its revision proposal in November 2025, and the Council of the European Union adopted a position on the proposal in June 2026. It will then be submitted to the European Parliament, which will in turn have to vote on it before interinstitutional negotiations ("trilogues") begin.

In late June 2026, the EBA updated its product oversight and governance guidelines to better address ESG requirements and greenwashing risks.

Business resilience and risk management related to certain technologies

The use of information and communication technologies (ICT) is a lever for service quality and operational efficiency for companies. However, the significance of these technologies and their integration generates specific risks. As such, banks need to guard against the vulnerabilities and risks arising from increased operational dependence on IT systems, third-party services and innovative technologies.

The Digital Operational Resilience Act (DORA) regulation, applicable from January 17, 2025, creates a regulatory framework for digital operational resilience under which financial entities will have to ensure that they can withstand, respond to and recover from any serious operational disruption related to information and communication technologies. This regulation is accompanied by a number of Regulatory Technical Standards (RTS) accompanying its implementation and specifying the content of the obligations imposed on financial sector institutions. This legal framework could evolve in the light of geopolitical security risks, which are forcing the European Union to strengthen its resilience. To this end, a Preparedness Union Strategy was announced by the European Commission in March 2025.

Regulation (EU) 2024/1689 of June 13, 2024, laying down harmonized rules on artificial intelligence, establishes a legal framework for the use of artificial intelligence in the EU and will require banks wishing to use artificial intelligence to classify their artificial intelligence tools according to their level of risk and apply measures to mitigate the risks associated with their use. The aim is to ensure that the use of artificial intelligence does not harm European citizens, in particular their health, safety or respect for their fundamental rights. The provisions relating to prohibitions of AI practices that are deemed unacceptable due to their potential risks came into force in February 2025. As part of its digital omnibus regulation proposal, the European Commission proposed, at the end of 2025, to postpone the entry into force of certain provisions of Regulation (EU) 2024/1698 concerning high-risk AI systems. If the European Commission's proposal is adopted, these provisions will not enter into force until December 2027, sixteen months later than originally scheduled. A political agreement on this proposal was announced in May 2026.

Compliance and customer protection

In May 2023, the European Commission proposed a package of measures on retail investment. It consists of an amending "Omnibus" directive known as the Retail Investment Strategy Directive, which revises the existing rules set out in the MiFID II Directive, the DDA Directive, the UCITS Directive, the AIFM Directive and the Solvency II Directive, supplemented by an amending regulation revising the PRIIPs Regulation. This legislative package provides for a number of measures to:

- improve the information provided to retail investors on investment products and services;
- make costs more transparent and comparable by requiring standardized presentation and terminology;
- protect retail investors from deceptive marketing practices;
- maintain high standards of professional qualification for financial advisors and;
- remedy potential conflicts of interest in the distribution of investment products, by prohibiting, among other things, retrocessions for sales made without the provision of any advice.

Finally, distributor compensation would be subject to stricter safeguards and greater transparency. Negotiations on the Retail Investment Strategy continued during the first half of 2026.

Directive (EU) 2923/2673 of November 22, 2023 on financial services contracts concluded at a distance modernizes the legal framework applicable to the distance marketing of financial products and services. In particular, it requires companies to design their online interfaces in such a way as not to steer consumers towards unfavorable choices. The directive was transposed into French law by Order No. 2026-2 of January 5, 2026. The new rules have applied since June 19, 2026.

Order no. 2025-880 of September 3, 2025 transposed EU directive 2023/2225 of October 18, 2023 on credit agreements for consumers. This directive strengthens borrower protection by improving pre-contractual information, introducing new rules of conduct for lenders and intermediaries, and providing a tighter framework for the cost of credit and interest rates. It extends the scope of consumer finance rules to include all bank overdrafts.

Law No. 2025-1058 of November 6, 2025, is dedicated to combating bank fraud and notably provides for the establishment of a national database of suspicious IBANs. This mechanism became operational in May 2026.

The fight against money laundering and the financing of terrorism (AML/CFT) underwent significant change in 2024 with the publication of the AML package, consisting of the sixth European directive on the subject as well as two European regulations.

This legislative package includes the establishment of a European AML/CFT authority (AMLA). The regulation establishing the European Anti-Money Laundering Authority sets out its organization and tasks. These include the direct supervision of the riskiest financial entities and the indirect supervision of other institutions through oversight by national supervisory authorities. This new authority, established in June 2024, will also be responsible for ensuring uniform application of regulations while coordinating the exchange of information between financial intelligence units. It will become operational gradually and will assume its direct supervisory tasks from January 1, 2028.

Lastly, the package, which includes the single regulation applicable from July 10, 2027, strengthens the obligations to combat money laundering and the financing of terrorism with regard to the private sector. This text provides, for example, for new obligations on activities related to crypto-assets. This regulation also reinforces due diligence obligations towards customers and beneficial owners by introducing a new category of high-risk customer (high-net-worth individual customer) and by broadening the scope of the definition of politically exposed persons.

The war in Ukraine led the EU to adopt new restrictive measures against Russia in the first half of 2026. As a result, a twentieth round of sanctions against Russia was adopted in April 2026. Additional measures concerning Belarus were also adopted.

Directive (EU) 2024/1260 of April 24, 2024 on asset recovery and confiscation will improve the effectiveness of freezing and confiscation measures in the EU and speed up the compensation of victims.

Financial markets: regulation of crypto-asset markets, strengthening of the framework applicable to central counterparties, and overhaul of the legal framework for securitization

With regard to the regulation of digital assets, Regulation (EU) 2023/1114 of May 31, 2023, known as MICA, came into force on December 30, 2024. This regulation establishes a legal framework for the issuance of crypto-assets and the provision of services related to crypto-assets, subjecting a large proportion of operators to a licensing regime. It also provides for the traceability of crypto-asset transfers and introduces AML/CFT and customer protection requirements.

The EMIR 3 package, which includes Directive (EU) 2024/2994 and Regulation (EU) 2024/2987, aims, among other things, to improve the attractiveness and resilience of the EU clearing system. While it retains the possibility for counterparties established in third countries to offer clearing services in the EU, it nevertheless introduces the obligation, for counterparties exceeding certain thresholds, to open an active account with a central counterparty established in the EU.

Regulation of the insurance sector

In the insurance sector, the marketing of contracts that are inadequate for the requirements and needs of customers is a central concern for supervisors. With its proposal for a Retail Investment Strategy Omnibus Directive, the European Commission is pursuing the ambition to better prevent conflicts of interest when marketing insurance investment products. Distributors will no longer be able to be remunerated in the form of commissions unless they can prove that the interests of their customers are being served.

At the same time, in 2024, the ACPR published two recommendations on insurance product oversight and governance (POG), particularly from the point of view of cost-performance ratio, as well as on the collection of information from customers for the purpose of fulfilling the duty to provide advice and personalized recommendation services.

Other major regulatory projects

Regulatory projects underway or in preparation may have a significant impact on Crédit Mutuel Alliance Fédérale's activities in the coming years:

- the draft European FIDA (Financial data access) regulation, which aims to establish financial data sharing with other financial sector companies and with financial information service providers. This project entered the trilogue phase in early 2025, each of the European institutions (Commission, Parliament, Council) having previously given its opinion. The initiative is a matter of significant importance for the financial sector, and no political consensus on a final text has yet been reached. Data sharing would concern a whole range of data relating to financial products and services subscribed by customers (open finance), going further than current open banking regulations, which are limited to payment account data;
- The draft PSD3 payment services directive, accompanied by a draft European payment services regulation (PSR), aims to increase the level of competition in the European payments market, improve the fight against fraud, strengthen user rights and improve the competitiveness of open banking services (sharing of data collected by banking institutions with other companies). A political agreement on these texts was reached at the end of 2025, which should allow for their final adoption in 2026;
- the European Commission's plan to introduce a digital euro. This plan, which remains a subject of debate among financial sector stakeholders and public authorities, led the European Commission to present a legislative package in 2023. The Council of the European Union issued its opinion on this proposal in December 2025, and the European Parliament's Committee on Economic and Monetary Affairs (ECON) approved the proposal in June 2026. At the same time, the European Central Bank is working on the operational details of such a system. A decision to issue the digital euro can only be made once the legislative texts have been adopted and published;
- the market integration and supervision package (MISP), proposed in December 2025 by the European Commission, is part of the Savings and Investment Union (SIU) initiative and aims to establish a single European market for financial products. To this end, measures are proposed to remove remaining regulatory barriers between Member States and establish European supervision of financial markets under the aegis of the ESMA (European Securities and Markets Authority).

2.2 ACTIVITIES AND RESULTS OF CRÉDIT MUTUEL ALLIANCE FÉDÉRALE

2.2.1 Activities and results of Crédit Mutuel Alliance Fédérale

2.2.1.1 Change in activity in the first half of 2026

At end-June 2026, outstanding customer deposits totaled €507.8 billion, up +4.3% compared with December 31, 2025. At constant scope, deposits remained virtually stable at -0.3%. Brokered deposits rose (+2.1% at constant scope) in the first half to €133.6 billion, partially offsetting the decline in mortgage saving agreements and Livret Bleu and Livret A passbook accounts. Current account outstandings amounted to €204.2 billion in the first half.

(outstanding loans in €bn)	06/30/2026	12/31/2025	Change
Current accounts	204.2	196.3	+4.0%
Livrets Bleu & A passbook accounts	59.2	59.8	-1.1%
Other passbook accounts	71.4	70.6	+1.0%
Mortgage savings agreements	27.7	30.2	-8.2%
Term deposits(1)	133.6	121.0	+10.4%
Other	11.8	8.8	+33.5%
Customer deposits	**507.8**	**486.8**	**+4.3%**
of which regulated savings	*123.3*	*126.5*	*-2.5%*

(1) Term deposits and Plan d'Épargne Populaire (PEP).

Outstanding loans rose by +5.8% to €570.7 billion over six months, due to the consolidation of OLB. At constant scope, the increase was limited to +1.2%.

Outstanding home loans - which account for 50% of total loans - rose to €282.9 billion. At constant scope, consumer finance posted growth of +3.1%. Outstanding equipment loans increased by +2.5% and leasing remained virtually stable at +0.4%.

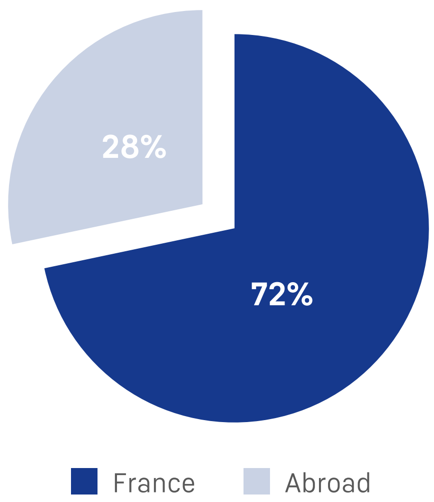
(outstanding loans in €bn)	06/30/2026	12/31/2025	Change
Home loans	282.9	268.0	+5.5%
Consumer finance	66.1	59.5	+11.1%
Equipment and leasing	155.8	150.7	+3.4%
Operating loans(1)	50.2	48.2	+4.3%
Other	15.8	12.9	+22.4%
Customer loans	**570.7**	**539.2**	**+5.8%**

(1) Current accounts in debit and cash loans.

2.2.1.2 Geographical breakdown of revenues

At June 30, 2026, net revenue generated in France accounted for more than 72% of the net revenue of the group's commercial business lines[1]. Internationally, Crédit Mutuel Alliance Fédérale has significant activities in Germany and, to a lesser extent, in the Benelux countries. CIC also has international subsidiaries in London, Brussels, New York, Hong Kong and Singapore, and representative offices in several other countries. These international activities account for more than a quarter (28%) of the net revenue of the group's commercial business lines.

GEOGRAPHICAL BREAKDOWN OF NET REVENUE AT 06/30/2026



[1] *Excluding holding company services.*

2.2.1.3 Crédit Mutuel Alliance Fédérale results

(in € millions)	06/30/2026	06/30/2025	Change	Change at constant scope
Net revenue	**9,801**	**8,768**	**+11.8%**	**+7.2%**
General operating expenses	-5,603	-5,026	+11.5%	+6.8%
Gross operating income/(loss)	**4,198**	**3,742**	**+12.2%**	**+7.7%**
Cost of risk	-1,212	-902	+34.3%	+19.2%
cost of proven risk	-1,101	-823	+33.9%	+25.2%
cost of non-proven risk	-110	-80	+38.8%	-42.6%
Operating income	**2,986**	**2,840**	**+5.2%**	**+4.1%**
Net gains and losses on other assets and ECC [1] / change in goodwill	28	23	+22.2%	+20.8%
Income before tax	**3,015**	**2,863**	**+5.3%**	**+4.2%**
Income tax	-930	-1,037	-10.3%	-11.5%
Net income	**2,085**	**1,826**	**+14.2%**	**+13.1%**
Non-controlling interests	87	90	-3.1%	-3.1%
Group net income	**1,998**	**1,736**	**15.1%**	**14.0%**

(1) ECC = Equity consolidated companies = share of the net profit/(loss) from equity consolidated companies.

Net revenue

At June 30, 2026, net revenue amounted to €9,801 million, up +11.8% compared with June 30, 2025 and +7.2% at constant scope, driven by continued growth in the banking networks and consumer finance.

(in € millions)	06/30/2026	06/30/2025	Change
Retail banking	**7,558**	**6,466**	**+16.9%**
of which banking network	5,182	4,345	+19.3%
of which consumer credit	1,973	1,764	+11.9%
Insurance [1]	**820**	**812**	**+1.1%**
Specialized business lines	**1,489**	**1,529**	**-2.6%**
Asset management and private banking	678	667	+1.7%
Corporate & Institutional Banking	641	651	-1.6%
Private equity	171	211	-19.1%
Other business lines [1]	**-66**	**-39**	**n.s**
NET REVENUE CRÉDIT MUTUEL ALLIANCE FÉDÉRALE	**9,801**	**8,768**	**+11.8%**

(1) Reclassification of general operating expenses relating to insurance contracts as expenses relating to insurance contracts classified as net revenue.

Revenues from **retail banking** were up by +16.9%, driven by the strong contribution from the banking networks in France and Belgium, the integration of OLB, and consumer finance. This improvement was enabled by the increase in the net interest margin and in commissions.

The contribution of the **insurance** business to net revenue, at €820 million, rose by +1.1%, driven by all business lines (property & casualty insurance, life insurance).

Asset management and **private banking** posted an overall increase in net revenue of +1.7%, with both activities making a positive contribution: asset management, +1.1% thanks to positive inflows and private banking, +2.2% thanks to good growth in commissions.

CIC Corporate & Institutional Banking reported a slight decline in net revenue to €641 million compared with June 2025.

Total income generated by the **private equity** business remained solid at €171 million, albeit lower than in the first half of 2025.

General operating expenses and gross operating income

General operating expenses rose by +11.5% to -€5,603 million in the first half of 2026. At constant scope and excluding non-recurring items (social security contributions for long-service awards, provisions for the restructuring of the media division and provisions for leasehold rights), the increase was limited to +2.8%.

The scissors effect was slightly positive, and the cost/income ratio remained virtually stable at 57.2%. At constant scope and excluding non-recurring items, it was 55.0%.

Gross operating income rose by +12.2% to €4,198 million.

Cost of risk and operating income

At June 30, 2026, the cost of risk was -€1,212 million, including technical effects related to the first-time consolidation of OLB. Excluding these items, the cost of risk was 39 basis points of gross outstanding loans, compared with 33 basis points at the end of 2025.

It breaks down into a -€1,101 million provision for the cost of proven risk (stage 3) and a -€110 million provision for the cost of non-proven risk (provisioning for future risks) on performing loans (stages 1 and 2).

The cost of proven risk was up +33.9% at June 30, 2026. This sharp increase was due to a combination of higher cost of risk in the banking networks and in consumer finance, and the first-time consolidation of OLB. At constant scope, the increase was +25.2%, while in the first half of 2025, this figure was positively impacted by reversals related to a market case returning to performing status. In the first half, the banking networks were negatively impacted by some market cases (mid-cap companies) and increased risk in the SME segment. Consumer finance still accounts for a significant proportion of the cost of proven risk (55%). The specialized business lines had a low level of cost of proven risk at -€28 million.

The provisioning for future risks represented a net addition of -€110 million, including the effect of the first-time consolidation of OLB.

The ratio of non-performing loans was 3.3% at June 30, 2026. The coverage ratio of non-performing loans excluding OLB POCI (Purchased or Originated Credits Impaired) was 46.0%. Excluding non-performing state-guaranteed loans, the coverage ratio of non-performing loans was nearly 50%.

Income before tax

The increase in revenues offset the rise in the cost of risk. Income before tax rose by +5.3% year-on-year to €3,015 million.

Net income

Income tax (-€930 million in the first half of 2026 compared with -€1,037 million in the first half of 2025) was positively impacted by the reduction in the special tax on profits resulting from a change to part of the tax base. Crédit Mutuel Alliance Fédérale was therefore liable for €231.2 million in surcharge at June 30, 2026.

Net income rose by +14.2% to €2.1 billion (+13.1% at constant scope).

2.2.1.4 Crédit Mutuel Alliance Fédérale's results by business line [1]

2.2.1.4.1 Retail banking

At 06/30/2026, retail banking accounted for 54% of the net income of Crédit Mutuel Alliance Fédérale's operating business lines.

(in € millions)	06/30/2026	06/30/2025	Change	Change at constant scope
Net revenue	**7,558**	**6,466**	**+16.9%**	**+10.8%**
General operating expenses	-4,616	-4,200	+9.9%	+4.4%
Gross operating income/(loss)	**2,942**	**2,266**	**+29.8%**	**+22.5%**
Cost of risk	-1,185	-921	+28.6%	+13.8%
Cost of proven risk	-1,073	-805	+33.2%	+24.4%
Cost of non-proven risk	-111	-116	n.s	-59.7%
Operating income	**1,758**	**1,345**	**+30.7%**	**+28.5%**
Net gains and losses on other assets and ECC(1)	-1	3	n.s	n.s
Income before tax	**1,757**	**1,348**	**+30.3%**	**+28.1%**
Income tax	-534	-453	+18.0%	+15.4%
NET INCOME	**1,222**	**895**	**36.5%**	**34.5%**

(1) ECC = Equity consolidated companies = share of the net profit/(loss) from equity consolidated companies.

Retail banking comprises three business segments:

- the local banking network, comprising the Crédit Mutuel local banks of the 14 federations, the CIC branch network, Banque Européenne du Crédit Mutuel, Beobank, OLB, and TARGOBANK Corporate Banking;
- consumer finance, comprising Cofidis Group and TARGOBANK's retail business;
- specialized business line subsidiaries whose products are marketed by the branch networks: equipment leasing and leasing with option to purchase, real estate leasing, factoring, and real estate sales and management.

Local banking networks

In half-year 2026, the local banking network generated net revenue of €5,182 million (+10.1% at constant scope) and contributed €921 million to Crédit Mutuel Alliance Fédérale's net income.

It serves more than 16.5 million customers in France, Belgium, and Germany, including nearly 1 million customers of Oldenburgische Landesbank AG (OLB), which was acquired in January 2026.

[1] *The income data mentioned in this section corresponds to the earnings of the entities and not their contribution to the earnings of the consolidated Crédit Mutuel Alliance Fédérale group.*

Crédit Mutuel network

At end-June 2026, outstanding deposits from local bank customers totaled €195.2 billion, an increase of +1.2% from end-2025, driven by term deposits and current accounts in credit.

Regulated savings amounted to €86.0 billion, down -2.6% over six months. The Crédit Mutuel local banks recorded outflows of -€1.7 billion from mortgage saving agreements and -€0.5 billion from Livret Bleu passbook accounts, due to the cut in regulated interest rates.

Outstanding loans rose slightly by +0.8% to €188.6 billion at end-June 2026 compared with end-December 2025. Outstanding home loans and equipment loans increased by +0.9% to €147.4 billion and by +1.2% to €28.4 billion, respectively.

At end-June 2026, the banking and insurance network of the Crédit Mutuel local banks reported net revenue of €2,229 million (+9.3%), driven by an increase in the net interest margin (+16.5%) due to the positive trends in loan income and the cost of customer deposits. Commissions rose by +4.2%, thanks in particular to insurance and credit commissions.

General operating expenses were kept in check at -€1,607 million, up +2.5%.

The overall cost of risk declined to -€108 million, reflecting an increase in the cost of proven risk combined with a favorable trend in the cost of non-proven risk.

The Crédit Mutuel local banks reported a sharp increase in net income to €370 million, compared with €253 million at end-June 2025.

CIC network

Customer savings rose to €269.2 billion in the first half (+1.5%).

Outstanding deposits fell slightly in the first half to €176.5 billion (-1.0%), as flows shifted toward financial savings.

Current accounts saw a slight outflow in the first half (-1.3%), to €77.3 billion.

In a less favorable environment, bank savings fell slightly in the first half of 2026 (-0.8%), with Livret A passbook accounts affected by a less attractive interest rate (-0.7% over six months). Term deposits were up (+0.9% over six months and +8.1% year-on-year) to €51.2 billion, while mortgage saving agreements were down -8.3% to €8.1 billion.

Inflows shifted in favor of savings & retirement insurance, as well as securities accounts and employee savings plans, with first-half outstandings up by +6.0% to €49.0 billion and +7.6% to €43.7 billion, respectively.

Outstanding loans increased slightly in the first half of 2026 to €182.0 billion (+0.8%).

Loan production continued to grow, reaching €19.9 billion compared with €18.3 billion in the first six months of 2026, driven by growth in home loan production (+20.4%).

Outstanding home loans rose +1.2% from the start of the year to €106.8 billion. Cash loans fell by -12.9% to €6.9 billion in connection with the repayment of state-guaranteed loans.

In contrast, outstanding investment loans continued to grow, rising by +2.1% to €61.6 billion, while consumer loans were virtually stable (-0.3%) at €6.7 billion.

At end-June 2026, net revenue rose by +11.4% to €2,201 million, driven by growth in the net interest margin (+20.1%) and, to a lesser extent, by commissions (+5.4%).

General operating expenses were kept under control, with an increase of +2.1% to -€1,318 million, bringing gross operating income to €883 million.

The cost of proven risk stood at -€261 million at end-June 2026, with a decline in the non-proven risk component and an increase in the proven risk component, in an economic environment marked by a deterioration in the financial situation of small and medium-sized enterprises (SMEs) and mid-cap companies.

Income before tax amounted to €620 million, with net income up +44.2% to €430 million.

Banque Européenne du Crédit Mutuel (BECM)

At June 30, 2026, BECM posted stronger results. The fiscal year was marked by resilient commercial activity overall, rigorous balance sheet management, and improved profitability.

Gross outstanding customer loans reached €18.6 billion, up slightly from end-2025. Investment loans amounted to €14.4 billion at end-June 2026, up +2.8% from end-2025, illustrating BECM's active role in financing long-term strategic projects. Conversely, operating loans and current accounts declined to €4.2 billion, mainly due to a decline in developer loans and a decline in state-guaranteed loans.

Outstanding customer deposits (current accounts in credit and bank savings) totaled €11.7 billion, compared with €12.9 billion at the end of 2025, driven by the decline in demand deposits to €4.0 billion and in term deposits and certificates of deposit to €7.6 billion. This decline was mainly due to the fact that real estate professionals made less use of term deposits.

Results for the first half of 2026 increased significantly from 2025. Net revenue was €151.7 million, compared with €141.3 million at June 30, 2025. This growth was mainly driven by a sharp rise in net interest margin to €110.4 million, benefiting in particular from the interest rate environment. Commissions, at €35.9 million, were down, but confirmed the recurring nature and quality of non-interest income.

General operating expenses amounted to -€48.8 million, up from the first half of 2025. The cost/income ratio was 32.2%. Gross operating income rose to €102.8 million, compared with €97.1 million at June 30, 2025.

The cost of risk amounted to -€19.3million at June 30, 2026, down from June 30, 2025.

At end-June 2026, current income before tax was €83.6 million, and net income was €62.6 million.

Beobank

Beobank offers banking and insurance products in Belgium. During the first half of 2026, Beobank continued to pursue its growth strategy across all product lines.

Gross outstanding loans amounted to €10.7 billion at June 30, 2026, up +4.9% compared with the end of 2025, driven in particular by mortgage loans (+6.6%). At the same time, outstanding deposits amounted to €10.2 billion (+5.4%) at June 30, 2026. The property & casualty insurance portfolio grew by +2.1%.

Net revenue continued to grow in 2026. The net interest margin rose by +9.6%, driven in particular by growth in outstanding loans. Net commissions increased by +8.5%, driven by strong inflows into financial savings.

Operating expenses increased by +9.2%, mainly due to the reversal of a non-recurring provision in 2025 and higher IT, communication and marketing expenses.

The cost of risk remained low at -€2.1 million.

Beobank's net income amounted to €23.9 million, +26.3% compared with the first half of 2025.

OLB and TARGOBANK Corporate Banking

In early 2026, Oldenburgische Landesbank AG (OLB) was acquired by TARGO Deutschland GmbH. OLB is a German full-service bank with a strong presence in northwestern Germany. It serves approximately 1 million customers throughout Germany. OLB is a trusted partner for individual and corporate customers, as well as high-net-worth individuals in private banking and wealth management. OLB's capabilities encompass specialized areas of expertise such as acquisition financing, commercial real estate financing, and soccer financing.

In the retail banking segment (Private and Business Customers), mortgage loans in particular once again saw strong demand. Driven by new business of €697.3 million during this period (previous fiscal year: €534.5 million), outstandings reached €11.6 billion as of June 30, 2026 (previous fiscal year: €11.5 billion).

The Corporate and Diversified Lending segment is currently facing a challenging macroeconomic environment and geopolitical tensions. The volume of new business loans therefore fell to €1.1 billion.

As a result, the total volume of loans and advances to customers amounted to €24.8 billion.

Customer deposits remained the main source of funding for loans granted and remained at a high level of €22.4 billion despite a highly competitive environment.

Net revenue, adjusted for acquisition-related effects, such as the purchase price allocation (PPA), totaled €344.5 million in the first half of the year. It reflects the same level of net revenue as in the first half of 2025, adjusted for Degussa's PPA (€344 million). Employee benefits expense and other administrative expenses increased due to certain one-time effects (e.g., the decision to terminate an outsourcing contract early).

The economic environment in the first half of 2026 was marked in particular by an economic slowdown and geopolitical pressures. This had a negative impact on the financial position of some of OLB's customers. Under these circumstances, provisions for credit losses totaled €77 million, adjusted for first-time consolidation effects (€22 million in the prior fiscal year).

As a result, income before tax for the first half of 2026 was €74 million lower than for the same period in 2025.

TARGOBANK Corporate Banking offers corporate financing, specialized financing, commercial real estate financing and payment services in Germany.

Due to the deteriorating macroeconomic environment, the portfolio declined by -2.3% compared with June 2025, resulting in a -1.3% decline in net revenue in the first half of 2026. Loan production has recently picked up and is +9.7% higher than the corresponding new loan volumes in the first half of 2025.

Consumer finance

Cofidis Group

Cofidis Group operates through three brands (Cofidis, Créatis, and Monabanq) and is present in nine European countries (France, Belgium, Spain, Italy, Portugal, the Czech Republic, Hungary, Slovakia, and Poland).

In terms of activity, Cofidis Group had a good first half of 2026 with new loan production of €6.3 billion, an increase of more than €600 million (+11%) compared with the first half of 2025. New customer acquisition through the direct network increased by +13% and through the partner network by +11%. The e-commerce business was down -3% compared with June 2025. Outstanding loans increased by +3% from December 2025 and totaled €23.7 billion.

Deposits rose by +9% from December 2025, reaching €1.4 billion.

Monabanq's online banking business continued to grow, with a +114% increase in new accounts compared with the first half of 2025.

The net interest margin increased by €89.3 million compared with the June 2025 level (+15.4%), which represents a 30-basis-point increase based on outstandings. In addition, growth in commissions (+€11.0 million) helped increase net revenue by €98.8 million compared with the first half of 2025 (+12.5%).

gross operating income increased by €39.6 million (+12.5%) year-on-year, with a stable cost/income ratio despite a rise in expenses related to legal disputes in Spain.

The cost of risk rose by 24 basis points from last year, including a +15 basis point increase in the cost of proven risk, with a decline in recovery performance. The cost of non-proven risk rose by +9 basis points due to strong business activity. However, recent lending activity presents a well-contained risk whose impact on overall risk is not yet clearly visible.

Income before tax came to €31.0 million at the end of June.

TARGOBANK

TARGOBANK's retail business serves individual customers, small and medium-sized enterprises, and customers of Autobank (which provides car dealerships with solutions for inventory financing and consumer credit, as well as leasing and insurance products). TARGOBANK's services include banking, consumer finance, investments, and insurance.

Loan production volumes (€4.5 billion) were stable compared with the same period in 2025.

The customer loan portfolio increased by +3.5% to €24.8 billion, while deposits were down -3.5% to €32.5 billion.

Net revenue was up +11.3% year-on-year, driven mainly by higher interest income, while net income remained stable at €210 million.

Business line subsidiaries

Within retail banking, the supporting business lines - i.e. leasing, factoring, real estate - generated net revenue of €402.6 million, representing an increase (+12.6%), and net income of €81.1 million (compared with €68.5 million in the first half of 2025), after payment of commissions to the networks.

The equipment **leasing business** in France reported an increase in net revenue to €111.6 million, driven by business growth; production rose by +5.5% year-over-year, and outstandings totaled €15.6 billion.

The **factoring** business in France reported a +6.5% increase in net revenue to €161 million, driven by good business activity and lower funding costs. Net income came to €49 million.

In Germany, the Commercial Finance business comprises the factoring, leasing, and equipment financing operating units.

The volume of customer loans increased by +5.5% compared with June 2025. Debts due to customers increased by +11.3%.

The factoring portfolio grew by +7.4% to €3.2 billion. Factoring production was up +5.2% compared with the same period in 2025.

The leasing and equipment financing loan portfolio increased by +2.5% to €2.0 billion.

The Commercial Finance segment reported net revenue of €86 million, up +4.5% compared with the same period last year.

Retail banking in Germany

Crédit Mutuel Alliance Fédérale took a major step forward on January 2, 2026, by acquiring 100% of the German bank Oldenburgische Landesbank (OLB) through the holding company TARGO Deutschland GmbH. On that same date, TARGOBANK officially launched its partnership with Assurances du Crédit Mutuel in Germany through its subsidiary ACM Deutschland, whose pilot phase began in July 2025.

These moves will enable Crédit Mutuel Alliance Fédérale to step up the development of its banking and insurance model in Germany, its second-largest domestic market.

To better reflect the group's full range of activities in Germany, this new business segment, "Retail Banking in Germany," was created. It comprises OLB, Targobank Corporate Banking, Targobank, and the entities specializing in leasing and factoring in Germany.

Following the acquisition of Oldenburgische Landesbank AG, the integration represents a strategic milestone with the implementation of an initial 180-day program. Now entering its final phase, the plan is intended to establish a detailed target model, as well as a roadmap for achieving this target.

In terms of financial results, the balance sheet total amounts to around €80 billion. Customer loans increased to €58.7 billion, and customer deposits reached €58 billion.

Net revenue came in at €1.6 billion, up +46.8%; adjusted for non-recurring effects of the integration of OLB, net revenue growth was +8%, due to the development of TARGOBANK and OLB's retail and corporate banking business.

Operating expenses increased by +50.9%, also due to the integration of OLB. Adjusted for this scope effect, the increase was limited to +8%.

The increase in the cost of risk, adjusted for acquisition effects, was mainly due to increased cost of risk in consumer finance and corporate loans. The cost of risk was affected by the macroeconomic situation (which led to an increase in defaults) and changes to German bankruptcy law (which led to a decline in recoveries).

In the first half of 2026, income before tax from the bank's retail banking business in Germany amounted to €364 million, and income after tax to €251 million.

2.2.1.4.2 Insurance

At end-June 2026, insurance accounted for 23% of the net income of Crédit Mutuel Alliance Fédérale's operating business lines.

The table below details the components making up the net income of the insurance business line.

(in € millions)	06/30/2026	06/30/2025	Change
Net revenue	**820**	**812**	**+1.1%**
General operating expenses	-90	-92	-2.0%
Income before tax	**730**	**720**	**+1.5%**
Income tax	-211	-235	-10.0%
NET INCOME	**519**	**485**	**+7.0%**

(1) ECC = Equity consolidated companies = share of the net profit/(loss) from equity consolidated companies.

Groupe des Assurances du Crédit Mutuel (GACM), the insurance subsidiary of Crédit Mutuel Alliance Fédérale, is at the heart of the bankinsurance model. It benefits from the synergies inherent in the mutualist banking and insurance model, made possible through the strength of the local networks and technological integration.

Driven by strong life insurance premium growth and the growth of property & casualty insurance portfolios, GACM's written premiums totaled €10.0 billion in the first half of 2026, up +13.5%.

Following a historic 2025, GACM's gross life insurance premium income continued to grow significantly in a market environment favoring long-term savings. It totaled €6.5 billion in the first half of 2026, an increase of +17.8% compared with 2025. Payments into euro funds, which benefited from the lower interest rates on regulated savings in France, rose by +15.9% to reach €4.6 billion. Gross premiums in unit-linked products totaled €1.9 billion, up +22.6%, driven by the quality of the product offering. This trend was reflected in a +39.1% increase in net premiums, which totaled €3.3 billion. It was divided between €2.4 billion in euro funds and €0.9 billion in unit-linked funds.

In P&C and protection insurance, written premiums rose by +6.4% compared with 2025, reaching €3.5 billion at end-June 2026. Property & casualty insurance premiums rose by +7.8% to €1.6 billion, driven by portfolio growth and premium increases.

These increases were more moderate than in 2025, a year marked by a rise in the additional premium used to finance the natural disaster compensation plan[1] in France. In personal insurance, premiums increased by +4.6% to €2.0 billion. They represent the bulk of the €23 million in written premiums generated in Germany by ACM Deutschland's subsidiaries, following the complete launch of the product line across the Targobank network on January 1, 2026.

GACM contributed €820.4 million to Crédit Mutuel Alliance Fédérale's net revenue, an increase of +1.1% compared with 2025. The increase in financial income from equity portfolios was partly offset by the decline in underwriting income. In personal insurance, gains from the revaluation of claims reserves (surpluses) were lower than in 2025. In contrast, property & casualty insurance continued to recover, supported by premium increases and a decline in the claim frequency in motor insurance, despite a slight increase in the cost of natural events compared with the first half of 2025. Life insurance net income also rose, driven by an increase in outstandings.

After income tax, including a decline in the special tax, GACM's net income for the first half of 2026 came to €519.0 million, an increase of +7.0% compared with 2025.

[1] Adoption, with the support of the Budget Department, of an increase in the natural disaster surcharge, which rose from 12% to 20% on January 1, 2025. It applies to property & casualty insurance policies for residential and commercial property.

2.2.1.4.3 Asset management and private banking

At June 30, 2026, asset management and private banking accounted for 5% of the net income of Crédit Mutuel Alliance Fédérale's operating business lines.

(in € millions)	06/30/2026	06/30/2025	Change
Net revenue	**678**	**667**	**+1.7%**
General operating expenses	-509	-498	+2.2%
Gross operating income/(loss)	**169**	**169**	**+0.1%**
Cost of risk	-14	7	n.s
Operating income	**155**	**175**	**-11.3%**
Net gains and losses on other assets and ECC[1]	3	0	n.s
Income before tax	**158**	**175**	**-9.8%**
Income tax expense	-37	-47	-21.1%
NET INCOME	**121**	**129**	**-5.7%**

(1) ECC = Equity consolidated companies = share of the net profit/(loss) from equity consolidated companies.

Crédit Mutuel Alliance Fédérale's asset management and private banking business line encompasses:

- the La Française Group holding company, which includes CIC Private Debt, Cigogne Management, Crédit Mutuel Asset Management, Crédit Mutuel Gestion, Crédit Mutuel Impact, La Française REM, La Française Systematic Asset Management, and New Alpha Asset Management.

In addition, La Française Finance Services, the La Française Group's sole distribution platform, markets the group's full range of asset management expertise, as well as that of Banque de Luxembourg Investments, to a diverse customer base in France and internationally. The La Française Group also provides services to Dubly Transatlantique Gestion;

- and Banque Transatlantique, Banque de Luxembourg and Banque CIC (Suisse).

Asset management and private banking reported an overall increase in net revenue of +1.7%, with both activities making a positive contribution: asset management, +1.1% thanks to positive inflows and private banking, +2.2% thanks to good growth in commissions.

General operating expenses rose by +2.2%.

The cost of risk amounted to -€13.5 million. This trend was negatively impacted by non-recurring reversals in 2025 and the adjustment of favorable parameters, particularly with regard to the cost of non-proven risk in 2025.

Net income fell by -5.7% to €121.3 million in half-year 2026, compared with €128.6 million in half-year 2025.

These figures do not include the private banking business carried out through CIC's network and its five regional banks, which generated net revenue of €124 million (+15%) and net income of €51 million (+39%).

Asset management

Assets managed and distributed by Crédit Mutuel Alliance Fédérale amounted to nearly €207 billion at end-June 2026, of which €37 billion outside the La Française Group.

Total assets managed and distributed by the La Française Group amounted to nearly €170 billion[1] at end-June 2026, up +3.8% from the end of fiscal year 2025, and the Group recorded net inflows of €3.3 billion.

At June 30, 2026, net revenue generated by the La Française Group amounted to €208.5 million, with operating income of €46.2 million.

The first half of 2026 was marked by mixed performance in financial markets, with equity markets performing well despite persistent volatility and ECB rate hikes at the end of the period. In this environment, investors continued to shift towards solutions that combine return, diversification, and decorrelation. The asset management business demonstrated the resilience of its integrated, multi-specialist model.

Listed markets: inflows driven by equity and alternative strategies

Listed market strategies accounted for €135.5 billion, or 80% of the group's assets under management.

Inflows to long-term assets amounted to €2.96 billion in the first half of 2026, driven primarily by equity and alternative investment strategies.

Equity strategies recorded inflows of €935 million, bringing assets under management to €22.9 billion. The launch of CM-AM Cap America at the end of the first half rounded off the international equity offering. The first half of the year was also marked by the launch of new mandates and dedicated funds following successful tenders, and the launch of the CM-AM Euro Stoxx 50 UCITS ETF fund, followed by the CM-AM S&P 500 UCITS ETF fund - the first steps in the development of the group's ETF product offering.

Alternative strategies continued to generate strong interest, with inflows of €352 million and assets under management reaching €2.7 billion. In the first half of 2026, the Cigogne UCITS Credit Opportunities fund surpassed the €500 million mark in assets under management, confirming its commercial success.

Money market strategies continued to attract positive flows, with inflows totaling €344 million, bringing assets under management to €47.4 billion.

Diversified listed funds posted slightly positive inflows of €82 million, with assets under management remaining stable at €16.2 billion. The launch of the Horizon Europe Mois 2030 formula fund demonstrates the group's resolve to offer solutions tailored to investors in the Crédit Mutuel Alliance Fédérale network.

In contrast, bond strategies recorded outflows of €435 million in the first half, mainly due to outflows from funds approaching the end of their term. The current environment is characterized by shifts in asset allocation toward riskier asset classes and ever-intense competition in fixed-income solutions. Variable-rate strategies attracted investor interest during the first half, with inflows of €333 million. Bond assets under management amounted to €8.7 billion.

[1] *Of which €2.9 billion in BLI assets distributed by La Française Finance Services.*

In addition, Crédit Mutuel Gestion's inflows reached more than €1 billion in the first half of 2026. The entities' assets under management grew by +12% to €21.1 billion at end-June 2026.

The funds managed by BLI - Banque de Luxembourg Investments had €11.8 billion in assets under management at June 30, 2026[1].

Real estate, private debt, and private equity: continued growth in real assets

Private market assets under management totaled €34.1 billion as of June 30, 2026, or 20% of the group's total assets under management.

Real estate assets under management stood at €25.1 billion, with €238 million in inflows. The market remains challenging and varies greatly across segments. Investments are selective, and investors are favoring more resilient assets or a more opportunistic approach.

In private debt, assets under management reached €4.1 billion, with €272 million in inflows. The Victory Street CLO III vehicle, currently in the fundraising phase, underscores the group's growing expertise in structured financing solutions.

The private equity business also continues to grow, notably with the fund of funds in the fundraising phase, New Alpha Selection Private Equity 2026, which is intended for the group's internal networks. The first closing is scheduled for the second half of 2026. This business has assets under management of €3.6 billion.

At end-June 2026, assets managed by Crédit Mutuel Impact totaled €1.34 billion. The company is continuing to roll out the Environmental and Solidarity Revolution Fund, supported by Crédit Mutuel Alliance Fédérale's Societal dividend.

Private banking

Banque Transatlantique continues to expand both in France and internationally. New business and financial performance was achieved in an uncertain market environment.

Banque Transatlantique's first half of 2026 was marked by strong capital inflows in an inflationary environment, as well as a significant shift toward long-term financial savings.

Outstanding savings rose by +6% from end-2025, reaching €73.7 billion. Financial savings continued to grow sharply, reaching €67.9 billion (€64.3 billion in 2025). Outstanding loans remained stable at €5.9 billion.

The commercial performance of the subsidiaries and business lines resulted in a +6% increase in net revenue, which totaled €127 million.

This growth was due to an increase in net interest income (+6% to €33 million at end-June 2026), driven by the volume of loans disbursed, and to a rise in commissions (+7% to €94 million at end-June 2026). As a result of investments made as part of the 2024-2027 strategic plan (IT projects, communication, premises), general operating expenses increased by +11% to €86.4 million. Net income came in at €33 million, compared with €28 million at end-June 2025.

At June 30, 2026, **Banque de Luxembourg** reported net revenue of €202.3 million, a slight decline (-1%) from the end of June 2025.

The decline in net revenue was limited thanks to commissions, which reached €116.6 million, an increase of €3.8 million, or +3%.

General operating expenses amounted to -€138.1 million, an increase of +2% from end-June 2025. Gross operating income therefore fell by -6% to €64.2 million. The cost of risk showed a net provision of -€9.1 million, compared with a non-recurring net reversal of +€9.1 million in June 2025, resulting in a negative change of -€18.2 million.

Net income was €41.4 million, down -31% from June 2025.

Outstanding loans totaled €3.3 billion (+0.6%) and customer deposits totaled €12.1 billion (+3.3%) at June 30, 2026. In addition, Banque de Luxembourg managed financial assets of more than €125.3 billion at end-June 2026, an increase of +8% compared with December 2025.

Despite an environment still marked by geopolitical tensions and economic uncertainties, Banque **CIC (Suisse)** saw its assets under management grow by +3.4%, reaching €23.5 billion at the end of the first half of 2026. Outstanding loans increased by +1.1% from the end of 2025 to reach €11.5 billion.

Net revenue for the first six months, which fell by -1.8% to €105.9 million, was impacted by the rate cuts implemented by the Swiss National Bank in 2024, which continued into 2025. These successive cuts were, however, partially offset by an increase in business volume and a consistent revenue diversification strategy. Income, excluding the net interest margin, thus increased by €11.5 million (+26.8%) in the first half of 2026 compared with the same period the previous year.

Thanks to a systematic analysis of expenses in light of the bank's strategic needs, general operating expenses remained virtually stable at -€78.4 million.

Gross operating income fell by -8.1% to €27.5 million.

Net income came in at €19.6 million at end-June 2026, compared with €25.5 million at end-June 2025. This decline was mainly due to a €4.6 million increase in the cost of risk.

[1] The portion distributed by La Française Finance Services in the first half of 2026 represented €2.9 billion in assets under management.

2.2.1.4.4 CIC Corporate and Institutional Banking

At end-June 2026, corporate banking accounted for 12% of the net income of Crédit Mutuel Alliance Fédérale's operating business lines.

(in € millions)	06/30/2026	06/30/2025	Change
Net revenue	**641**	**651**	**-1.6%**
General operating expenses	-261	-246	+5.9%
Gross operating income/(loss)	**380**	**405**	**-6.2%**
Cost of risk	-13	12	n.s
Cost of proven risk	-16	-6	X 2,9
Cost of non-proven risk	3	18	-81.1%
Income before tax	**367**	**418**	**-12.1%**
Income tax expense	-87	-138	-37.2%
NET INCOME	**280**	**280**	**+0.2%**

Since January 1, 2026, CIC Corporate & Institutional Banking (CIC CIB) has consolidated all of Crédit Mutuel Alliance Fédérale's expertise in corporate banking and capital markets (commercial and investment activities) under a single brand.

With its presence in Europe, North America, and the Asia-Pacific region through its network of subsidiaries (London, Brussels, New York, Singapore, and Hong Kong), CIC CIB offers its large corporate and institutional customers recognized expertise in corporate banking, capital markets, and investor services (asset servicing) as part of a comprehensive approach to meeting their needs.

These areas of expertise are organized into two divisions: customer-focused commercial activities and the investment business line.

At June 30, 2026, CIC Corporate & Institutional Banking reported net revenue of €640.6 million, a slight decrease of -1.6% compared with the end of June 2025. General operating expenses were kept in check (+5.9%). The cost of risk remained very low, despite an increase to -€13 million, mainly due to a provision for two market issues (compared with a net reversal in June 2025).

This resulted in a decline in income before tax to €367.0 million at end-June 2026, compared with €417.7 million at end-June 2025 for a stable net income of €280 million at end-June 2026[1].

Customer activities

Coverage manages the group's global customer relationships by promoting its three customer-focused business areas: Global Banking, Capital Markets and Asset Servicing.

Global Banking combines the business expertise in financing (Corporate & Leveraged Finance and Real Assets, including Projects, Assets, Securitization, and ABL) and transactional services, or Transaction Banking (Cash Management, Trade Finance), dedicated to large corporate and institutional customers, also providing support to the network's mid-cap customers. Its focus is on providing comprehensive financial support for customers, from organic growth to strategic deals, in France and internationally.

As of June 30, 2026, Global Banking confirmed its effectiveness with an increase in commercial activity. Commitments increased across all business lines by +5.3% compared with December 31, 2025.

Thanks to its in-depth understanding of its customers' strategic, financial, and industry-specific challenges, the Corporate & Leveraged Finance business supports large corporate and institutional customers over the long term in achieving their goals in areas such as corporate financing, business succession, and external growth. At the end of June 2026, despite an uncertain economic environment and a still-stagnant LBO market, the business showed strong commercial momentum, with commitments up +6.5% compared with December 31, 2025.

At June 30, 2026, the commitments of the Real Assets business were up +3.9% compared with end-December 2025, driven in particular by project financing (commitments up +5.0%) as part of efforts to support the regions in their ecological transition (several wind farm projects and energy recovery facilities were financed in the first half of 2026).

Lastly, despite an unstable geopolitical environment, the CIC CIB teams continued to address the challenges of securing cash flows, optimizing cash management, and supporting their customers' growth across the globe. Commitments remained stable (+0.2%) for Transaction Banking activities at end-June 2026 compared with end-December 2025.

Global Banking had a strong first half, reporting net revenue of €312 million, down slightly due to an unfavorable base effect related to the fall in the €STER and non-recurring items in the first half of 2025.

Capital Markets supports companies and institutions in meeting their needs for access to market funding (primary issues) and products for hedging interest rate, currency and commodity risks, as well as investment products and corporate brokerage services. Capital Markets also offers institutional customers investment decision-making tools and execution solutions.

In the first half, the Capital Markets business saw a decline in line with the downturn in hedging and primary market activities amid a wait-and-see approach. The business recorded net revenue of €100 million.

Asset Servicing offers a range of services tailored to financial institutions, whether asset management companies or institutional investors: custody account keeping and depository solutions for UCIs[2], fund administration, and buy-side services (RTO[3] desk, outsourced middle office, reporting, etc.).

Investment business line

The Investment business aims to generate long-term returns on available financial resources by selecting, acquiring and holding financial instruments over the long term, in accordance with the group's risk framework and objectives. The Investment business line also provides its expertise to various entities within the group and coordinates liquidity across CIC CIB's various divisions. In particular, the teams provide investment advisory services to Cigogne Management, an alternative investment management firm within the La Française Group.

In a volatile market environment, the business line delivered a strong performance, with net revenue of €192 million, compared with €178 million at June 30, 2025.

[1] Note a methodological change in the recognition of the corporate tax surcharge.
[2] Undertaking for collective investment.
[3] Reception and transmission of orders.

2.2.1.4.5 Private equity

At June 30, 2026, private equity accounted for 6% of the net income of Crédit Mutuel Alliance Fédérale's operating business lines.

(in € millions)	06/30/2026	06/30/2025	Change
Net revenue	**171**	**211**	**-19.1%**
General operating expenses	-47	-47	-1.6%
Income before tax	**124**	**164**	**-24.1%**
Income tax	5	6	n.s
NET INCOME	**129**	**169**	**-23.8%**

Crédit Mutuel Equity, the private equity subsidiary of Crédit Mutuel Alliance Fédérale, supports companies at every stage of their development, from start-ups to small and medium-sized enterprises (SMEs) and mid-cap companies. The business line also advises companies on mergers and acquisitions through its subsidiary CIC Conseil.

Crédit Mutuel Equity provides equity financing for growth and transformation projects in France from its eight regional offices - Paris, Lyon, Nantes, Bordeaux, Lille, Strasbourg, Marseille and Toulouse - as well as internationally through its subsidiaries in Europe and North America.

With €4.6 billion in equity on its balance sheet, Crédit Mutuel Equity is a unique player in the private equity market. The structure invests exclusively the equity of Crédit Mutuel Alliance Fédérale, enabling it to tailor its investment horizon to companies' real needs, and to support them through possible reinvestments.

Proof of this long-term engagement: Crédit Mutuel Equity has been a shareholder for more than 10 years in one-third of the 310 companies it supports. The amount invested has grown by more than €500 million over the last three years (i.e., nearly 15%).

In financial terms, €205 million was invested in the first half of 2026 (up +18% compared to the first half of 2025) across some 40 deals in France and internationally, and the volume of disposals amounted to €193 million. This balanced approach is also evident over the long term: over the last three fiscal years, more than €1.6 billion has been invested in the regions, and an equivalent amount has been raised through the sale of equity investments.

CIC Conseil faced a difficult market environment. However, its close ties to the local business community and the entrepreneurs it supports over the long term enabled it to complete 16 mergers and acquisitions, with total commissions invoiced reaching €6.0 million, up +25% compared with the first half of 2025.

Overall, total income remained solid at €170.8 million in the first half of 2026, with two-thirds generated by capital gains on assets held and the remainder consisting of recurring income (dividends and interest). This demonstrates the solidity of the investment portfolio and the quality of the management of the equity investments, even against a backdrop marked by a deteriorating economic climate and its impact on growth and value creation.

Crédit Mutuel Equity's contribution to consolidated net income at end-June 2026 amounted to €128.8 million.

2.2.1.4.6 Other business lines: IT, logistics, press & others

This segment mainly comprises:

- *the "technology" business line, which includes the group's IT companies;*
- *the "logistics" business line, which includes logistics structures;*
- *the "media" business line with the EBRA group (Crédit Mutuel Alliance Fédérale's regional daily press group), which has nine regional daily newspapers: Le Dauphiné Libéré, Le Progrès, Le Bien Public, Le Journal de Saône et Loire, Le Républicain Lorrain, L'Est Républicain, Vosges Matin, Les Dernières Nouvelles d'Alsace and L'Alsace. The nine publications have strong local roots and cover a total of 23 departments across the entire eastern part of France. The EBRA group operates various print and digital brands as well as an event offering with its subsidiary EBRA Events and video expertise via its subsidiaries EBRA Studios and EBRA Productions;*
- *holding company services;*
- *the reclassification as net revenue of costs incurred by the network in distributing insurance policies (application of IFRS 17 from January 1, 2023).*

The "other business lines" segment reported net revenue of €-66 million and a contribution to net income of -€186.7 million in the first half of 2026.

Technology

Euro-Information, Crédit Mutuel Alliance Fédérale's technology subsidiary, supports the development of its networks, business lines and subsidiaries.

Crédit Mutuel Alliance Fédérale's technology strategy aims to invest in the development of sovereign digital capabilities through its own data centers, which are located in France and operated in-house, offering a high level of performance and security while ensuring continuous availability of digital services (24/7). This ensures the confidentiality of the data of the group's 33 million customers and members.

In August 2025, the Euro-Information teams began migrating data and applications from the legacy data center in Strasbourg to the two Tier IV-certified data centers in Burgundy, which opened in June 2025. This large-scale project, scheduled to last two years, is going according to plan. During the migration, the data centers in Strasbourg and Burgundy will operate in parallel, with IT equipment duplicated until the Strasbourg site is decommissioned.

On February 12, 2026, Euro-Information was granted approved platform status by the Directorate General of Public Finance (DGFiP) after successfully completing the process of lifting technical reservations. Since then, the Crédit Mutuel Alliance Fédérale banking networks have been offering their professional and corporate customers the HBS e-invoicing solution, a secure and reliable electronic invoicing service based on Euro-Information's approved platform. It is fully integrated into the online banking apps of both banking networks.

Media

EBRA's revenues reached €237 million at end-June 2026, down -3.8% compared with end-June 2025.

In June 2026, the EBRA group unveiled its strategic plan, "EBRA 2030," aimed at building a sustainable business model to fund independent, high-quality local content amid sweeping changes in the media industry. Focused on four priorities - editorial strategy, attracting a younger audience, revenue diversification, and organizational and technological transformation - this strategic plan accelerates the digital transition while reaffirming the local roots of the newsrooms.

2.2.1.5 Financial position of Crédit Mutuel Alliance Fédérale

2.2.1.5.1 Balance sheet

The structure of the balance sheet reflects Crédit Mutuel Alliance Fédérale's commercial banking activity of the group and the measures taken by the group to strengthen its financial structure in order to meet the new regulatory requirements that will be applicable in the coming years. In particular:

- Crédit Mutuel Alliance Fédérale finances a greater proportion of customer loans through deposits. This change is an extension of the strategy rolled out in recent years. The loan-to-deposit ratio stood at 112.4% at June 30, 2026;
- Crédit Mutuel Alliance Fédérale's liquidity risk is strictly managed under a system controlled by BFCM based on a centralized risk management system, described in chapter 6 "Risks and capital adequacy - Pillar 3" of the 2025 Universal Registration Document.

Assets

Summary. The group's consolidated assets totaled €1,005.7 billion at June 30, 2026 compared with €942.9 billion at December 31, 2025.

This increase was mainly due to the acquisition of OLB and, to a lesser extent, the increase in outstanding customer loans.

Loans and receivables due from customers. Loans and receivables due from customers totaled €570.7 billion at June 30, 2026, compared with €539.2 billion at December 31, 2025. At constant scope, growth was limited to +1.2%. As of December 31, 2025, loans and receivables due from customers of the acquired OLB entities totaled €25 billion.

Financial assets at fair value through equity. Financial assets at fair value through equity mainly include bonds and other debt securities for €37.2 billion and government securities for €19.5 billion.

Financial assets at fair value through profit or loss. Financial assets at fair value through profit or loss include financial instruments held for trading (including derivatives) and certain financial assets designated by the group at fair value through profit or loss on the date of their acquisition (including securities held by the private equity business line). These assets are revalued at their fair value during each closure.

The total amount of financial assets at fair value through profit or loss was €48.2 billion at June 30, 2026, compared with €37.5 billion at December 31, 2025. Financial assets at fair value through profit or loss represented 5% of the group's total assets at June 30, 2026.

Loans and receivables due from credit institutions. Loans and receivables due from credit institutions are composed of demand deposits, inter-bank loans and securities subject to repurchase agreements. Loans and receivables due from credit institutions totaled €73.7 billion at June 30, 2026, compared with €73.1 billion at December 31, 2025.

Financial investments of insurance activities. Financial investments in the insurance business amounted to €151.8 billion at end-June 2026, compared with €144.5 billion at December 31, 2025.

Liabilities (excluding shareholders' equity)

Summary. The group's consolidated liabilities excluding shareholders' equity amounted to €933.0 billion at June 30, 2026, compared with €872.6 billion at December 31, 2025 (6.9 %). These liabilities include subordinated debt amounting to €12.3 billion at June 30, 2026, compared with €12.9 billion at 31 December 2025. The increase in liabilities excluding shareholders' equity recorded in 2026 was mainly due to the inclusion of OLB's debts due to customers in the scope of consolidation.

Debts due to customers. Debts due to customers consist mainly of demand deposits, term deposits, regulated savings accounts and repurchase agreements. Debts due to customers totaled €507.4 billion at June 30, 2026 compared with €486.8 billion at December 31, 2025. At constant scope, outstanding deposits were virtually stable (-0.3%). As of December 31, 2025, debts due to customers of the acquired OLB entities totaled €22 billion.

Financial liabilities at fair value through profit or loss. The total amount of financial liabilities at fair value through profit or loss (held for trading) was €33.5 billion at June 30, 2026 compared with €21.7 billion at December 31, 2025.

Debts due to credit institutions. Debts due to credit institutions increased by €9.4 billion to €39.8 billion at June 30, 2026.

Debt securities at amortized cost. Debt securities are composed of negotiable certificates of deposit and bond issues. Debt securities totaled €175.7 billion at June 30, 2026, up 8.0% compared with December 31, 2025.

Liabilities related to insurance contracts. Liabilities related to insurance contracts totaled €141.8 billion at June 30, 2026 compared with €134.0 billion at December 31, 2025.

Consolidated equity

Consolidated shareholders' equity attributable to the group stood at €70.4 billion at June 30, 2026 compared with €68.1 billion at December 31, 2025, with most of the increase corresponding to net income carried forward and the consolidation of the acquired OLB entities.

Non-controlling interests increased from €2,189 million at December 31, 2025 to €2,240 million at June 30, 2026.

2.2.1.5.2 Liquidity and refinancing

Crédit Mutuel Alliance Fédérale's treasury management is guided by prudent rules, with an effective system for accessing market funding. Crédit Mutuel Alliance Fédérale has a variety of issue programs that allow it to access investors in the main international markets in the form of public and private issues. These programs are complemented by a substantial liquidity reserve that complies with regulatory ratios and is capable of withstanding severe stress scenarios.

In total, external funding raised in the markets amounted to €159.8 billion at the end of June 2026, marking a +4.7% increase compared with the end of December 2025 (€153.1 billion).

Short-term money market funding (less than one year) reached €51.8 billion at the end of June 2026, a scheduled increase of +11.1% compared with December 2025 (€46.5 billion). This increase is intended to stabilize the amount of funding at a level sufficient to cover the potential effects of market turmoil caused by the geopolitical crisis at the beginning of the year. It accounts for 32% of all market funding raised.

Medium- and long-term (MLT) funding totaled €108.0 billion at end-June 2026, a slight increase of +1.8% compared with end-December 2025. In the first half of 2026, Crédit Mutuel Alliance Fédérale raised €13.5 billion in MLT funding (of which €2 billion through the 2025 prefunding program), primarily under the BFCM name but also under Crédit Mutuel Home Loan SFH, its subsidiary that issues covered bonds secured by residential real estate, which has a AAA rating. 77% of this MLT funding was raised in euros and the balance in foreign currencies (mainly US dollars and pound sterling), demonstrating the sound diversification of the investor base.

The breakdown between public issues and private placements was 79% and 21%, respectively. The average maturity of medium- and long-term funding raised in the first half of 2026 increased slightly to 6.1 years, compared with 5.9 years in 2025.

Refinancing program for the first half of 2026

The medium- and long-term (MLT) funding plan for 2026 was set at between €16 and €18 billion, including €3 to €5 billion in non-preferred senior debt or Tier 2 debt.

At end-June 2026, BFCM has raised €13.5 billion, or 79% of a median program target of €17 billion. Public issues, totaling €10.6 billion, show the following diversification by currency and format:

- €7.5 billion;
- USD 2.25 billion (€1.9 billion equivalent);
- GBP 0.75 billion (€0.86 billion equivalent);
- AUD 0.3 billion (€0.17 billion equivalent);
- CHF 0.19 billion (€0.18 billion equivalent).

The largest share of funds raised (through public issues) was in euros (71%), followed by US dollars (18% in euro equivalent), and then pounds sterling (8% in euro equivalent). Public issues (79% of total refinancing) are broken down by format as follows (in euro equivalent):

- €4.4 billion in preferred senior debt, or 41% of total funds raised;
- €3.25 billion in senior secured debt (31% of funds raised);
- €2.25 billion in non-preferred senior debt (21% of funds raised);
- €0.75 billion in Tier 2 debt (7% of funds raised).

Between July 1 and July 15, 2026, BFCM issued €3.7 billion in debt, consisting of €2.35 billion in preferred senior debt (including €0.75 billion in green bonds) and €1.3 billion in non-preferred senior debt (denominated in USD), bringing the total amount of refinancing to €17.2 billion.

LCR and liquidity buffer

For the consolidated scope, Crédit Mutuel Alliance Fédérale's liquidity position is as follows:

- an average 12-month rolling LCR ratio of 158.5% at end-June 2026, compared with 165.9% at end-December 2025;
- average HQLA (high quality liquid assets) of €103.8 billion, 63% of which is deposited at central banks (mainly the ECB).

The total liquidity reserves for the consolidated group as of June 30, 2026 break down as follows:

Crédit Mutuel Alliance Fédérale (in € billions)	06/30/2026
Cash deposited in central banks	62.0
LCR securities (after LCR haircut)	38.9
O/w HQLA Level 1 securities	33.0
Other eligible assets, central banks (after ECB haircut)	42.4
TOTAL LIQUIDITY RESERVES	**143.3**

The liquidity reserve very largely covers the market funding due over 12 months.

MREL - Minimum Requirement for Own Funds and Eligible Liabilities

The Crédit Mutuel group has received its MREL notification applicable on a consolidated basis at the resolution group level[1].

At June 30, 2026, the Crédit Mutuel group's external MREL requirement is set at 21.27% (25.18% including the 3.91% CBR[2] at December 31, 2025) of the group's risk-weighted assets (TREA[3]) and 6.77% of the leverage ratio exposure (LRE).

The subordinated MREL requirement is set at 13.60% (17.51% including CBR) of risk-weighted assets and 6.77% of LRE exposure. The Crédit Mutuel group's shareholders' equity combined with eligible liabilities were well above the MREL requirements in December 2025:

MREL ratio + CBR coverage: 38.93% of risk-weighted assets (TREA);

MREL ratio: 15.24% of LRE

Subordinated MREL ratio + CBR coverage: 27.78% of risk-weighted assets (TREA)

Subordinated MREL ratio: 10.88% of LRE.

[1] Applicable on a consolidated basis at the level of the resolution group, which comprises the central body (Confédération Nationale du Crédit Mutuel), its affiliated entities, including Banque Fédérative du Crédit Mutuel, and all their subsidiaries.
[2] CBR: Combined Buffer Requirement.
[3] TREA: Total Risk Exposure Amount.

2.2.1.5.3 Solvency and capital management[1]

At 30 juin 2026, Crédit Mutuel Alliance Fédérale's shareholders' equity totaled €72.6 billion compared with €70.3 billion at 31 décembre 2025, an increase of almost €2 billion thanks to retained earnings.

Crédit Mutuel Alliance Fédérale has solid capital adequacy, with an estimated Common Equity Tier 1 (CET1) ratio of 19.4% at 30 juin 2026 compared with 19.7% at 31 décembre 2025. The estimated Tier 1 ratio was also 19.4% at 30 juin 2026 and the estimated overall solvency ratio was 21.8%, compared with 22.1% at 31 décembre 2025. The decline in the CET1 ratio at 30 juin 2026 was mainly due to the inclusion of OLB in Crédit Mutuel Alliance Fédérale's prudential consolidation scope effective January 2, 2026.

Regulatory capital CET1 increased to €65.1 billion, with the inclusion of net income as of 30 juin 2026and the payment of the acquisition price for OLB.

Risk-weighted assets (RWA) stood at €335.2 billion at 30 juin 2026 (compared with €320.0 billion at 31 décembre 2025). The increase in RWA was mainly due to the inclusion of OLB's risk-weighted assets in credit risk, with the remainder attributable to organic growth in outstandings driven by business activity in the first half.

The return on risk-weighted assets (RoRWA) reached a level of 2.7% at 30 juin 2026.

2.2.1.5.4 External ratings

The three rating agencies that issue ratings for Crédit Mutuel Alliance Fédérale and the Crédit Mutuel group all recognize their financial stability and the validity of the business model:

	LT/ST Counterparty**	Issuer/LT preferred senior debt	Outlook***	ST preferred senior debt	Stand-alone rating****	Date of last publication
Standard & Poor's [1]	AA-/A-1+	A+	stable	A-1	a	12/08/2025
Moody's [2]	Aa3/P-1	A1	negative	P-1	a3	05/26/2026
Fitch Ratings * [3]	AA-	AA-	negative	F1+	a+	07/07/2026

** The Issuer Default Rating is stable at A+.*

*** The counterparty ratings correspond to the following agency ratings: Resolution Counterparty Rating for Standard & Poor's, Counterparty Risk Rating for Moody's and Derivative Counterparty Rating for Fitch Ratings.*

**** The outlooks correspond to the Issuer Credit Rating (ICR) outlook for Standard & Poor's, the Senior Unsecured Debt outlook for Moody's, and the Issuer Default Rating (IDR) outlook for Fitch Ratings.*

***** The stand-alone rating is the Stand Alone Credit Profile (SACP) for Standard & Poor's, the Adjusted Baseline Credit Assessment (Adj. BCA) for Moody's and the Viability Rating for Fitch Ratings.*

[1] Standard & Poor's: Crédit Mutuel group rating.

[2] Moody's: Crédit Mutuel Alliance Fédérale/BFCM and CIC ratings.

In terms of Moody's ratings, certain group instruments were downgraded on December 17, 2024, namely: Counterparty Risk Rating (to Aa3), Counterparty Risk Assessment (to Aa3(cr)), junior deposits (to A1) and preferred senior debt (to A1).

[3] Fitch Ratings: Crédit Mutuel Alliance Fédérale rating (as the dominant entity of the Crédit Mutuel Group).

The announcement of the acquisition of OLB (Oldenburgische Landesbank AG) on March 20, 2025, was welcomed by the three rating agencies. The deal was closed on January 2, 2026, after all necessary approvals had been obtained. Subsequently, on January 7, 2026, Moody's upgraded OLB's Adjusted BCA rating by two notches to a3 (from baa2 previously), due to the expected support from the group.

With TARGOBANK, ACM Deutschland and OLB, Crédit Mutuel Alliance Fédérale covers all the universal banking and insurance business lines in Germany. This transaction further strengthens Crédit Mutuel Alliance Fédérale's diversification with a limited impact on CET1, which is unlikely to alter the agencies' assessment of the capital scores of Crédit Mutuel Alliance Fédérale or the Crédit Mutuel group.

2.2.1.6 Sustainability

As a socially responsible company, Crédit Mutuel Alliance Fédérale continues to implement its strategy to address climate and social challenges in line with its mutualist model and its 2024-2027 strategic plan.

In the first half of 2026, the group continued to deliver on its decarbonization commitments, stepped up its support for customers in their transition, and expanded its initiatives in the public interest through the Societal dividend.

Sectoral policies

In May 2026, Crédit Mutuel Alliance Fédérale adopted a new sectoral policy on tobacco, in line with its commitment to the Tobacco-Free Finance Pledge. The group thus aims to contribute to the fight against the consequences of tobacco, both in terms of human health and the environment.

Supporting all customers in their energy, environmental, and societal transition

The group offers financing solutions and services tailored to their needs, particularly in the areas of:

- **energy-efficient home renovations**: since the launch of the strategic plan, nearly 80,000 loans had been granted for renovation work as of end-June 2026;

- **farm succession and the agricultural sector's transition to an efficient and sustainable model** with the extension in May 2026 of the eligibility criteria and the ability to combine "Installation Agri" and "Coup de Pouce Agri" loans. As of end-June 2026, and since its launch two years ago, more than 1,400 "Installation Agri" loans have been granted as part of the Societal dividend program;

- **supporting businesses in their transformation:** businesses that are customers of the Crédit Mutuel and CIC banking networks can obtain "Transition" loans to finance their projects. The total committed amount for these loans[1] exceeded €7 billion as of June 30, 2026.
The group also supports companies through structured sustainable financing (as of June 30, 2026, the outstanding amount of sustainability-linked loans totaled €4.6 billion) and in connection with their green or sustainability-linked bond issues;

- **development of low-carbon infrastructure for the regions:** for example, at the end of June 2026, Crédit Mutuel Alliance Fédérale, through CIC CIB, was actively involved in arranging €1.45 billion in financing for Boralex, a renewable energy producer in Europe and North America, to support the expansion of its operations in France;

- **advising investors on the integration of sustainability considerations:** the quality of CIC CIB's research provided to investors and its contribution to the integration of environmental, social, and governance (ESG) criteria into investment decisions was recognized with the "Best Bank for ESG Research" award at the 2026 ESG Investing Awards[2].

Initiatives to benefit the environment and society

Since 2023, Crédit Mutuel Alliance Fédérale has been allocating 15% of its net income to ecological transformation and social and regional solidarity. Based on 2025 net income, the target for the Societal dividend is €633 million for 2026. It thereby finances:

- **impact investments via the RES fund**, with the sole criterion being environmental and societal added value (four new investments made in the first half of 2026);

- **solidarity-based banking and insurance products** such as the 1% loan for the purchase of electric vehicles[3], with outstanding loans reaching nearly €270 million at June 30, 2026;

- **sponsorship initiatives and support for the non-profit sector and public interest entities**, particularly through the Crédit Mutuel Alliance Fédérale Foundation and its two areas of focus: "Solidarity and Regions" and "Environment".

In June 2026, in response to the erosion of biodiversity, the Crédit Mutuel Alliance Fédérale Foundation signed a new partnership agreement with the National Museum of Natural History. This sponsorship initiative, with a budget of €4.5 million over three years, aims to support research, outreach, and awareness-raising projects dedicated to the protection of biodiversity.

Non-financial ratings[4]

In the first half of 2026, the rating agencies ISS ESG and MSCI renewed their non-financial ratings for the group: a C rating (prime status) on a scale from D- to A+ from ISS ESG, and an AA rating (leader) from MSCI, with an ESG rating ranging from CCC to AAA. In addition, in 2025, Sustainalytics assigned an ESG risk rating of 16.5 out of 100 (low risk).

Crédit Mutuel Alliance Fédérale is committed to the green, social, and sustainable development bond market to support a just transition toward a sustainable, low-carbon economy. BFCM issues green and social bonds on a regular basis. The total amount of green and social bonds issued reached €4.5 billion as of June 30, 2026. Since then, a new green bond was issued in early July 2026 in the amount of €750 million.

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[1] Energy Transition Loan, Industrial Transition Loan, Impact Transition Loan and Digital Transition Loan.
[2] https://www.esginvesting.co.uk/awards/shortlistedfinalists/
[3] https://www.creditmutuel.fr/fr/particuliers/credits/credit-auto.htm

https://www.cic.fr/fr/particuliers/credit-auto-cic-financer-votre-vehicule.html?utm_source=google&utm_medium=sea&utm_campaign=pau-cic-g-mq-src-credit_auto&utm_adgroup=credit-auto&utm_format=recherche&utm_content=mkg&procom=MQ&gclsrc=aw.ds&gad_source=1&gad_campaignid=1810947565&gbraid=0AAAAAC-594y1dBjG1OxGYlwnC8KdQqSpx&gclid=EAIaIQobChMIxv6r1uzllQMVmxAGAB3s9DV0EAAYASAAEgJHfPD_BwE
[4] Non-financial rating agencies rate BFCM and CIC, taking into account the entire Crédit Mutuel Alliance Fédérale group.

2.2.1.7 Alternative performance indicators

ALTERNATIVE PERFORMANCE INDICATORS (API) – ARTICLE 223-1 OF THE AMF GENERAL REGULATION/ESMA GUIDANCE (ESMA/20151415)

Name	Definition/calculation method	For the ratios, justification of use
Cost/income ratio	Ratio calculated from items of the consolidated income statement: ratio of general operating expenses (sum of "other operating expenses" and "movements in depreciation, amortization and provisions for property, plant and equipment and intangible assets") and the "net revenue"	Measure of the bank's operational efficiency
Overall cost of customer risk related to outstanding loans (expressed in % or basis points)	Cost of customer risk from the notes to the consolidated financial statements related to average gross outstanding loans	Enables assessment of the level of risk as a percentage of credit commitments on the balance sheet
Cost of risk	The "cost of counterparty risk" item on the publishable consolidated income statement	Measurement of the level of risk
Customer loans	The "loans and receivables due from customers at amortized cost" item in consolidated balance sheet assets	Measurement of customer loan activity
Cost of proven risk	Impaired assets (S3): see note on "cost of counterparty risk"	Measurement of the level of proven risk (non-performing loans)
Cost of non-proven risk	12-month expected losses (S1) + expected losses at maturity (S2): see note on "cost of counterparty risk." Application of IFRS 9	Measurement of the level of non-proven risk (on performing loans)
Customer deposits; deposit accounting	The "amounts due to customers at amortized cost" item in consolidated balance sheet liabilities	Measurement of customer activity in terms of balance sheet resources
Insurance savings	Life insurance-products held by the customers - management data (insurance company)	Measurement of customer activity in matters of life insurance
Financial savings; managed savings held in custody	Off-balance sheet savings outstandings held by our customers or held in custody (securities accounts, UCITS, etc.) - management data (group entities)	Representative measurement of activity in terms of off-balance- sheet funds (excluding life-insurance)
Total savings	Sum of accounting deposits, insurance savings and bank financial savings	Measure of customer activity in terms of savings
General operating expenses; General operating expenses; management fees	Sum of the lines "general operating expenses" and "allocations/reversals of depreciation, amortization and provisions for property, plant and equipment and intangible assets" in the publishable consolidated income statement	Measurement of the level of general operating expenses
Net interest margin; Net interest revenue; Net interest income	Calculated from the items on the consolidated income statement: difference between interest received and interest paid: - interest received = item "interest and similar income" in the publishable consolidated income statement - interest paid = item "interest and similar expenses" in the publishable consolidated income statement	Representative measurement of profitability
Loan/deposit ratio; commitment coefficient	Ratio calculated on the basis of consolidated balance sheet items: ratio expressed as a percentage between total customer loans and customer deposits	Measurement of dependence on external refinancing
Return on average assets (ROAA)	The average return on total assets ratio is calculated by dividing net income by average total assets over two years	The ROAA is a performance indicator of the bank. It measures income in relation to assets employed
Total coverage ratio	Determined by calculating the ratio of provisions for credit risk (S1, S2 and S3 impairment) to the gross outstandings identified as in default in accordance with regulations (gross receivables subject to individual impairment S3)	This coverage ratio measures the maximum residual risk associated with total outstandings
Coverage ratio of non-performing loans	Determined by calculating the ratio of provisions for credit risk (S3 impairment) to the gross outstandings identified as in default in accordance with regulations (gross receivables subject to individual impairment S3)	This hedge rate measures the maximum residual risk associated with loans in default ("non-performing")
Non-performing loan ratio; doubtful and disputed debts - CDL rate	Ratio between gross outstanding receivables subject to individual impairment (S3) and gross customer loans (calculated from the notes "Loans and receivables due from customers" to the consolidated financial statements: gross receivables + finance leases)	Indicator of asset quality

ALTERNATIVE PERFORMANCE INDICATORS (API): RECONCILIATION WITH THE FINANCIAL STATEMENTS (in € millions)

Cost/income ratio	06/30/2026	06/30/2025
General operating expenses	-5,603	-5,026
Net revenue	9,801	8,768
COST/INCOME RATIO	**57.2%**	**57.3%**

Adjusted cost/income ratio[1]	06/30/2026	06/30/2025
General operating expenses[1]	-5,176	-5,034
Net revenue[1]	9,402	8,775
COST/INCOME RATIO[1]	**55.0%**	**57.4%**

Net income/average regulatory assets (RoRWAA)	06/30/2026	12/31/2025
Total net income (including non-controlling interests)	2,085	4,218
Average regulatory assets (RWAA)	323,888	317,186
NET INCOME/AVERAGE REGULATORY ASSETS - annualized	**1.3%**	**1.3%**

Loans/deposits	06/30/2026	12/31/2025
Net customer loans	570,746	539,232
Customer deposits	507,833	486,795
LOANS/DEPOSITS	**112.4%**	**110.8%**

Coverage ratio of non-performing loans	06/30/2026	12/31/2025
Provisions for impairments on non-performing loans (S3)	-8,832	-8,310
Gross receivables subject to individual impairment (S3)	19,217	18,259
COVERAGE RATIO OF NON-PERFORMING LOANS	**46.0%**	**45.5%**

Non-performing loan ratio	06/30/2026	12/31/2025
Gross receivables subject to individual impairment (S3)	19,217	18,259
Gross customer loans	582,872	550,700
NON-PERFORMING LOAN RATIO	**3.3%**	**3.3%**

Overall cost of risk related to outstanding loans[2]	06/30/2026	12/31/2025
Total cost of customer risk[2]	-1,075	-1,785
Average gross customer loans[2]	548,903	544,477
TOTAL COST OF CUSTOMER RISK IN RELATION TO OUTSTANDING LOANS[2]	**39**	**33**

Net income/average regulatory assets (ROAA)	06/30/2026	12/31/2025
Net income	2,085	4,218
Average assets	937,547	937,547
RETURN ON ASSETS (ROAA)	**0.44%**	**0.45%**

2.2.1.8 Methodology notes

Change in segmentation

- Since January 1, 2026, the corporate banking and capital markets business lines have been grouped together under the single name CIC Corporate & Institutional Banking. Therefore, the breakdown of the income statement for the specialized business lines by segment is as follows:

Details on business lines in the "specialized business lines" segment - previous presentation (page 766 of the 2025 URD):

12/31/2025	Asset management and private banking	Corporate banking	Capital markets	Private equity	Total specialized business lines

New presentation:

06/30/2026	Asset management and private banking	CIC Corporate & Institutional Banking	Private equity	Total specialized business lines

- Following the consolidation of OLB, the presentation of the "retail banking" business line has been updated to include a new column titled "of which retail banking in Germany":

Details on business lines in the "retail banking" segment - previous presentation (page 766 of the 2025 URD):

12/31/2025	Banking network	Consumer credit	Business line subsidiaries	Total retail banking

New presentation showing the breakdown of TARGOBANK's main entities and the consolidation of OLB's entities:

06/30/2026	Banking network	Consumer credit	Business line subsidiaries	Total retail banking	of which retail banking in Germany
of which TARGOBANK entities	Targobank Corporate Banking Oldenburgische Landesbank AG	Targobank	Leasing and factoring in Germany Weser Funding S.A.		Targobank Corporate Banking Oldenburgische Landesbank AG Targobank Leasing and factoring in Germany Weser Funding S.A.

Changes at constant scope

Changes at constant scope are calculated by excluding, as of June 30, 2026, the figures for the entities that have been included in the Crédit Mutuel Alliance Fédérale scope, namely Oldenburgische Landesbank AG (OLB), Weser Funding SA (retail banking segment), and Transatlantique Private Wealth LLC (asset management and private banking segment).

Crédit Mutuel Alliance Fédérale

(in € millions)	Actual 06/30/2026	Change in scope	06/30/2026 excl. change in scope	Actual 06/30/2025	% change at current scope	% change at constant scope
Net revenue	**9,801**	**399**	**9,402**	**8,768**	**+11.8%**	**+7.2%**
General operating expenses	-5,603	-233	-5,371	-5,027	+11.5%	+6.8%
Gross operating income/(loss)	**4,198**	**167**	**4,031**	**3,742**	**+12.2%**	**+7.7%**
Cost of risk	-1,212	-136	-1,075	-902	+34.3%	+19.2%
Operating income	**2,986**	**31**	**2,956**	**2,840**	**+5.2%**	**+4.1%**
Net gains and losses on other assets and ECC [1] / change in goodwill	28	0	28	23	+22.2%	+20.8%
Income before tax	**3,015**	**31**	**2,984**	**2,863**	**+5.3%**	**+4.2%**
Income tax expense	-930	-12	-918	-1,037	-10.3%	-11.5%
NET INCOME	**2,085**	**19**	**2,066**	**1,826**	**+14.2%**	**+13.1%**

Retail banking

(in € millions)	Actual 06/30/2026	Change in scope	06/30/2026 excl. change in scope	Actual 06/30/2025	% change at current scope	% change at constant scope
Net revenue	**7,558**	**396**	**7,161**	**6,466**	**+16.9%**	**+10.8%**
General operating expenses	-4,616	-231	-4,385	-4,200	+9.9%	+4.4%
Gross operating income/(loss)	**2,942**	**166**	**2,777**	**2,266**	**+29.8%**	**+22.5%**
Cost of risk	**-1,185**	**-136**	**-1,048**	**-921**	**+28.6%**	**+13.8%**
Income before tax	**1,757**	**30**	**1,727**	**1,348**	**+30.3%**	**+28.1%**
Income tax expense	**-534**	**-12**	**-523**	**-453**	**+18.0%**	**+15.4%**
NET INCOME	**1,222**	**18**	**1,204**	**895**	**+36.5%**	**+34.5%**

2.2.2 Recent developments and outlook

2.2.2.1 Events after the reporting period

Crédit Mutuel Alliance Fédérale is increasing its stake in Ardian[1] via its subsidiary ACM.

On July 16, 2026, Assurances du Crédit Mutuel, a subsidiary of Crédit Mutuel Alliance Fédérale, signed a share purchase agreement to acquire around 3.4% of Ardian's share capital from AXA. Assurances du Crédit Mutuel has held a stake in Ardian since 2013. The deal will increase Assurances du Crédit Mutuel's total stake in Ardian to roughly 23% and is expected to be completed between late 2026 and early 2027, subject to obtaining the necessary regulatory approvals.

The estimated impact of the deal would be a -15 basis point decline in Crédit Mutuel Alliance Fédérale's CET1 ratio.

Fires: Crédit Mutuel Alliance Fédérale is stepping up its emergency measures to assist its customers and members[2]

Since the fires broke out, local teams from Crédit Mutuel, CIC, and Assurances du Crédit Mutuel have been working to assist affected members, customers, and policyholders. Given the seriousness of the situation, Crédit Mutuel Alliance Fédérale is continuing its response efforts in all affected regions by stepping up its emergency response measures, involving the banking networks of Crédit Mutuel (from the fourteen allied federations) and CIC, as well as the Assurances du Crédit Mutuel. This support takes the form of concrete financial measures:

- Emergency measures for affected individuals at Crédit Mutuel and CIC, including the deferral of loan payments and the introduction of a €15,000 "Coup de pouce" zero-interest loan;
- Enhanced support for policyholders;
- A support plan for professionals, businesses, and stakeholders in the agriculture and forestry sectors, including, among other measures, a €15,000 overdraft facility for professionals.

Given the still-uncertain economic, financial, and social consequences, it is currently impossible to assess the exact impact on Crédit Mutuel Alliance Fédérale and its subsidiaries.

In addition to the emergency measures already implemented, the Crédit Mutuel Alliance Fédérale Foundation[3] has decided to launch a three-year, €3 million action plan, funded by the Societal dividend, to restore affected ecosystems and bolster prevention efforts to mitigate future risks.

2.2.2.2 Outlook

The results for the first half of 2026 confirm the strength of Crédit Mutuel Alliance Fédérale's diversified business model and the effectiveness of its "Togetherness Performance Solidarity" strategic plan.

Eighteen months before its target date, Crédit Mutuel Alliance Fédérale reaffirms the objectives of its 2024–2027 strategic plan, combining human resources, technological expertise and diversification in Europe.

[1] *Press release: Assurances du Crédit Mutuel*
[2] *Press release: Fires*
[3] *Press Release: Crédit Mutuel Alliance Fédérale Foundation*

2.3 BFCM ACTIVITIES AND CONSOLIDATED EARNINGS

2.3.1 Analysis of the consolidated income statement

(in € millions)	06/30/2026	06/30/2025	Change	Change at constant scope
Net revenue	**7,401**	**6,549**	**+13.0%**	**+6.9%**
General operating expenses	-3,861	-3,405	+13.4%	+6.6%
Gross operating income/(loss)	**3,540**	**3,144**	**+12.6%**	**+7.3%**
Cost of risk	-1,103	-782	+41.2%	+23.7%
cost of proven risk	-1,000	-733	+36.4%	+26.6%
cost of non-proven risk	-104	-49	X 2,1	-19.9%
Operating income	**2,436**	**2,363**	**+3.1%**	**+1.8%**
Net gains and losses on other assets and ECC [1] / change in goodwill	39	39	-0.8%	-1.6%
Income before tax	**2,475**	**2,402**	**+3.0%**	**+1.8%**
Income tax	-685	-764	-10.3%	-11.9%
Net income	**1,789**	**1,638**	**+9.3%**	**+8.1%**
Non-controlling interests	201	191	+5.3%	+5.3%
GROUP NET INCOME	**1,588**	**1,447**	**+9.8%**	**+8.1%**

(1) ECC= Equity consolidated companies = share of the net income from equity consolidated companies.

Net revenue

At June 30, 2026, the net revenue of Banque Fédérative du Crédit Mutuel amounted to €7,401 million, up +13.0% compared with the first half of 2025 and +6.9% at constant scope, driven by continued growth in the banking networks and consumer finance.

Revenues from **retail banking** were up by +20.4%, driven by the strong contribution from the banking networks in France and Belgium, the integration of OLB, and consumer finance. This improvement was enabled by the increase in the net interest margin and in commissions.

The contribution of the **insurance** business to net revenue, at €831 million, rose by +1.1%, driven by all business lines (property & casualty insurance, life insurance).

Asset management and **private banking** posted an overall increase in net revenue of +1.7%, with both activities making a positive contribution: asset management, +1.1% thanks to positive inflows and private banking, +2.2% thanks to good growth in commissions.

CIC Corporate & Institutional Banking reported a slight decline in net revenue compared with June 2025 to €641 million.

Total income generated by the **private equity business** remained solid at €171 million, albeit lower than in the first half of 2025.

General operating expenses and gross operating income

General operating expenses rose by +13.4% to -€3,861 million in the first half of 2026. At constant scope and excluding non-recurring items, the increase was limited to +2.7%.

The scissors effect was slightly positive, and the cost/income ratio remained virtually stable at 52.2%. At constant scope and excluding non-recurring items, it was 50.0%.

Gross operating income rose by +12.6% to €3,540 million.

Cost of risk and operating income

At June 30, 2026, the cost of risk amounted to -€1,103 million.

It breaks down into a -€1,000 million provision for the cost of proven risk (stage 3) and a -€104 million provision for the cost of non-proven risk (provisioning for future risks) on performing loans (stages 1 and 2).

The cost of proven risk was up +36.4% at June 30, 2026. This sharp increase was due to a combination of higher cost of risk in the banking networks and in consumer finance, and the first-time consolidation of OLB. At constant scope, the increase was +26.6%, while in the first half of 2025, this figure was positively impacted by reversals related to a market case returning to performing status. In the first half, the banking networks were negatively impacted by some market cases (mid-cap companies) and increased risk in the SME segment. Consumer finance still accounts for a significant proportion of the cost of proven risk (60%). The specialized business lines had a low level of cost of proven risk at -€28 million.

Income before tax

The increase in revenues offset the rise in the cost of risk. Income before tax rose by +3.0% year-on-year to €2,475 million.

Net income

Income tax (-€685 million in the first half of 2026 compared with -€764 million in the first half of 2025) was positively impacted by the reduction in the special tax on profits resulting from a change to part of the tax base. Banque Fédérative du Crédit Mutuel was therefore liable for €139 million in surcharge at June 30, 2026.

Net income rose by +9.3% to €1,789 million (+8.1% at constant scope).

Analysis of results by business line

The activities mentioned below correspond to the organizational structure of Crédit Mutuel Alliance Fédérale. The reader may also refer to note 2 to the financial statements "Breakdown of the balance sheet and income statement by business line and geographic area" as well as note 3 "Consolidation scope", which presents the business combinations retained.

Retail banking

Net revenue from retail banking rose by +20.4% and +11.4% at constant scope, reaching €5,329 million. General operating expenses, at -€3,009 billion, grew at a slower pace than net revenue, i.e. +13.0% (+4.4% at constant scope). The cost of risk rose to -€1,076 million, of which -€972million related to proven risk (up +35.7% and +25.7% at constant scope) and -€105 million related to non-proven risk.

Retail banking reported a rise in net income of +13.2% (+10.8% at constant scope) to €853 million.

Insurance

Net insurance revenue increased by +1.1%. The increase in financial income from equity portfolios was partly offset by the decline in underwriting income. Property & casualty insurance continued to recover, supported by premium increases and a decline in the claim frequency in motor insurance. In personal insurance, gains from the revaluation of claims reserves (surpluses) were lower than in 2025.

General operating expenses of -€90 million correspond solely to expenses not attributed to contracts.

The net income contribution was €529 million, up +6.9% compared with end-June 2025.

Asset management and private banking

Total net revenue from the two activities rose by +1.7% to €678 million, with both activities making a positive contribution: asset management, +1.1% thanks to positive inflows, and private banking, +2.2% thanks to good growth in commissions.

General operating expenses rose by +2.2% to -€509 million, of which +3.1% for private banking and +1.2% for asset management. The cost of risk amounted to €-14 million.

Net income came in at €121 million, compared with €129 million in the first half of 2025.

CIC Corporate & Institutional Banking

Since January 1, 2026, CIC Corporate & Institutional Banking (CIC CIB) has consolidated all of Crédit Mutuel Alliance Fédérale's expertise in corporate banking and capital markets (commercial and investment activities) under a single brand.

At June 30, 2026, CIC Corporate & Institutional Banking reported net revenue of €641 million, a slight decrease of -1.6% compared with the end of June 2025. General operating expenses were kept in check (+5.9%). The cost of risk remained very low at -€13 million (compared with a net reversal in June 2025), mainly due to a provision for two market issues.

This resulted in a decline in income before tax to €367 million at end-June 2026, compared with €418 million at end-June 2025. Net income remained stable at €280 million at end-June 2026.

Private equity

In financial terms, €205 million was invested in the first half of 2026 across some 40 deals in France and internationally. The volume of disposals amounted to €193 million. This balanced approach is also evident over the long term: over the last three fiscal years, more than €1.6 billion has been invested in the regions, and an equivalent amount has been raised through the sale of equity investments.

In the first half of 2026, the contribution to net income amounted to €129 million.

2.3.2 Change in activity in the first half of 2026

At end-June 2026, outstanding customer deposits totaled €314.4 billion, up +6.3% compared with December 31, 2025. At constant scope, outstanding deposits showed a slight decline. Brokered deposits rose during the first half to €97.2 billion, partially offsetting the decline in mortgage saving agreements and the Livret Bleu and Livret A passbook accounts. Outstanding amounts on current accounts amounted to €147.6 billion in the first half.

Outstanding loans rose by +8.5% to 382.2 billion over six months, due to the consolidation of OLB. At constant scope, the increase was +1.5%.

Outstanding home loans, which account for 35% of total outstanding loans, increased to 135.4 billion. At constant scope, consumer finance rose by +3.7%, outstanding equipment loans increased by +2.9%, and leasing was virtually unchanged at +0.4%.

2.3.3 Transactions with Crédit Mutuel Alliance Fédérale entities

Transactions with Crédit Mutuel Alliance Fédérale entities

At June 30, 2026, BFCM's consolidated gross operating income included -€378 million related to transactions carried out with Crédit Mutuel Alliance Fédérale entities that are not part of the BFCM consolidation scope (mainly local banks and CFCM).

Net interest expenses on these transactions totaled €135 million at June 30, 2026, compared with -€31million at June 30, 2025.

Net commission income came to -€10 million. Net expenses from other activities recorded by these entities amounted to -€384 million at June 30, 2026, compared with net expenses of -€221 million in the first half of 2025. General operating expenses amounted to -€119 million at end-June 2026 compared with -€97 million at June 30, 2025.

At June 30, 2026, outstanding loans granted to the Crédit Mutuel Alliance Fédérale entities that are not part of the BFCM consolidation scope totaled €32.3 billion.

2.3.4 Recent developments and prospects

Events after the reporting period

Fires: Crédit Mutuel Alliance Fédérale is stepping up its emergency measures to assist its customers and members[1]

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Given the still-uncertain economic, financial, and social consequences, it is currently impossible to assess the exact impact on Crédit Mutuel Alliance Fédérale and its subsidiaries.

In addition to the emergency measures already implemented, the Crédit Mutuel Alliance Fédérale Foundation[2] has decided to launch a three-year, €3 million action plan, funded by the Societal dividend, to restore affected ecosystems and bolster prevention efforts to mitigate future risks.

Outlook

The results for the first half of 2026 confirm the strength of Crédit Mutuel Alliance Fédérale's diversified business model and the effectiveness of its "Togetherness Performance Solidarity" strategic plan.

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[1] *Press release: Fires*
[2] *Press Release: Crédit Mutuel Alliance Fédérale Foundation*

3

Corporate governance

3.1 CAISSE FÉDÉRALE DE CRÉDIT MUTUEL - CORPORATE GOVERNANCE REPORT

3.1.1 Composition of the management bodies as of June 30, 2026

Presentation of the Board of Directors as of June 30, 2026

COMPOSITION OF THE BOARD OF DIRECTORS

	Age(1)	Gender	Start of term of office	End of term of office	Committees(2)
Daniel BAAL Chairman	68	M	2024	2028	Auditing and Accounting Risk
Hélène DUMAS Vice-Chairwoman	68	F	2025	2028	Compensation
Marie-Jean BOOG	64	F	2025	2028	**Risk**
Gérard CORMORECHE	68	M	1995	2028	Auditing and Accounting
Bernard DALBIEZ	67	M	2019	2028	Risk Appointments
Pascal DAVID	64	M	2025	2028	**Compensation**
Caroline KALTENBACH	57	F	2025	2028	Compensation
Simone MULLER	61	F	2025	2028	Appointments
Bich Van NGO	69	F	2023	2027	Auditing and Accounting
Thierry REBOULET	63	M	2024	2028	**Appointments**
Jacques SIMON	69	M	2022	2027	Appointments
Luc WYNANT	60	M	2022	2028	Auditing and Accounting
Nathalie BOY DE LA TOUR Independent director	57	F	2025	2028	Appointments
Joëlle LASRY Independent director	51	F	2025	2028	Auditing and Accounting
Jeanne LAZARUS Independent director	48	F	2024	2029	Compensation
Nadia MAÏZI Independent director	61	F	2024	2029	Risk
Audrey HAMMERER Director representing employees	48	F	2016	2028	Compensation
Laurent TORRE Director representing employees	58	M	2020	2028	Risk

In the Committees column, the Committee Chairmen are shown in bold in blue.

(1) Age at June 30, 2026.
(2) Risk: Risk Committee – Auditing and Accounting: Auditing and Accounting Committee – Compensation: Compensation Committee – Appointments: Appointments Committee.

THE BOARD OF CENSORS

	Age[1]	Gender	Start of term of office	End of term of office
Alain BOYE	69	M	2025	2028
Joël DERVIN	69	M	2023	2027
Patrick HOCHE	59	M	2024	2027
Jean-Louis MAITRE	69	M	2025	2028
Philippe TUFFREAU	71	M	2026	2029

(1) Age at June 30, 2026.

The Board of Directors of Caisse Fédérale de Crédit Mutuel is composed of 23 non-executive members, including 18 directors and 5 censors.

In the first half of 2026, the Board of Directors of Caisse Fédérale de Crédit Mutuel duly noted the expiration of the terms of office of Daniel Schoepf, Annie Virot, and Christine Leenders as censors and decided to appoint Philippe Tuffreau as a censor.

OTHER PARTICIPANTS

- In accordance with Article L.2312-72 of the French Labor Code, two representatives of the Social and Economic Committee attend the meetings of the Board of Directors in an advisory capacity;
- The articles of association of Caisse Fédérale de Crédit Mutuel also state that up to three representatives of representative trade union organizations, other than those that have appointed directors representing the employees, shall attend the meetings of the Board of Directors in an advisory capacity.

CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS' SPECIALIZED COMMITTEES UP TO JUNE 30, 2026

Apart from the departure of Albert Mayer, who had previously served as an observer on the Auditing and Accounting Committee, the composition of the regulatory committees of Caisse Fédérale de Crédit Mutuel remained unchanged in the first half of 2026.

COMPOSITION OF EXECUTIVE MANAGEMENT

On June 10, 2026, the Board of Directors of Caisse Fédérale de Crédit Mutuel appointed Claude Koestner as Chief Executive Officer - effective manager, replacing Éric Petitgand, for a term of three years, and confirmed Anne Sophie Van Hoove in her role as Chief Operating Officer – effective manager.

The Executive Management of Caisse Fédérale de Crédit Mutuel comprises five executives who hold executive offices:

- Claude Koestner, Chief Executive Officer - effective manager;
- Anne Sophie Van Hoove, Chief Operating Officer - effective manager;
- Frantz Rublé, Deputy Chief Executive Officer (until July 31, 2026);
- Laurent Métral, Deputy Chief Executive Officer;
- Nathalie Noël, Deputy Chief Executive Officer.

3.1.2 Positions and functions held by the members of the management bodies

Key executive appointed in the first half of 2026

Claude Koestner

Born on April 28, 1970
Nationality: French

Business address:
4 rue Frédéric-Guillaume Raiffeisen
67000 Strasbourg

Summary of main areas of expertise and experience

Claude Koestner began his career at CIC Est in 1996 as Assistant Director and Director of a group of retail agencies before becoming Business Manager in 2000 and then Director of Corporate Agencies in 2004. In 2010, he was responsible for large companies and was appointed Chief Operating Officer in 2014. He was Chief Executive Officer of CIC Est between 2016 and 2020 and, concurrently, became Deputy Chief Executive Officer of CIC in 2017. In 2020, he was also appointed Chairman of the Executive Board of BECM. Since 2024, he has been Chief Operating Officer of CIC, notably in charge of managing network operations, retail banking, and the five regional banks (CIC Nord Ouest, CIC Ouest, CIC Est, CIC Sud Ouest, and CIC Lyonnaise de Banque). In June 2026, he was appointed Chief Executive Officer - effective manager of Caisse Fédérale de Crédit Mutuel. He holds offices in several supervisory bodies of Crédit Mutuel Alliance Fédérale, particularly related to his role as Chief Executive Officer of Caisse Fédérale de Crédit Mutuel.

Chief executive officer and effective manager
Start of term of office: 2026
End of term of office: 2029

Other mandates and functions as at June 30, 2026

Chief Executive Officer
Caisse Fédérale de Crédit Mutuel
Chief Operating Officer
Crédit Industriel et Commercial
Permanent representative of CFCM, director
Fédération du Crédit Mutuel Centre Est Europe
Banque Fédérative du Crédit Mutuel
Member of the Executive Board
Groupe des Assurances du Crédit Mutuel
Chairman of the Executive Board
Banque Européenne du Crédit Mutuel
Chairman of the Board of Directors
Banque CIC Sud-Ouest
Crédit Mutuel Factoring
Chairman of the Supervisory Board
CCLS
Permanent representative of BECM, member of the Management Board
Euro-Information

Terms of office expired over the past five fiscal years

Chairman and Chief Executive Officer
Banque Européenne du Crédit Mutuel Monaco
Chief Executive Officer
CIC Est
Deputy Chief Executive Officer
Crédit Industriel et Commercial
Member of the Management Board
Euro-Information Telecom
Permanent representative of CIC, member of the Management Board
Euro-Information
Chairman of the Board of Directors
Crédit Mutuel Leasing
Bail Actéa
Factofrance
Vice-Chairman of the Supervisory Board
Crédit Mutuel Equity
Permanent representative of CIC, member of the Supervisory Board
Banque Transatlantique
Groupe des Assurances du Crédit Mutuel
Permanent representative of CICOVAL, member of the Board of Directors
Crédit Mutuel Investment Managers
Permanent representative of ACM Vie SAM, member of the Board of Directors
ACM Vie SA
Vice-Chairman of the Supervisory Board
Crédit Mutuel Immobilier

3.1.3 Principles for determining the compensation granted to corporate officers

Guiding principles

Caisse Fédérale de Crédit Mutuel does not refer to the Afep-Medef Code, which is unsuitable in its case for a certain number of recommendations, given the structure of the shareholder base, which is made up entirely of Crédit Mutuel Alliance Fédérale entities.

Implementation

On March 26, 2026, the Board of Directors of Caisse Fédérale de Crédit Mutuel, on the proposal of the Compensation Committee of March 23, 2026, reviewed the compensation of:

- the Chairman of the Board of Directors, Daniel Baal, which is paid by Caisse Fédérale de Crédit Mutuel and remains unchanged;
- the Chief Executive Officer, which is paid by Caisse Fédérale de Crédit Mutuel and remains unchanged;
- the Chief Operating Officer, which is paid by Caisse Fédérale de Crédit Mutuel. It was decided to raise the salary to €700,000 effective March 1, 2026.

On June 10, 2026, the Board of Directors of Caisse Fédérale de Crédit Mutuel duly noted the resignation of Éric Petitgand as Chief Executive Officer of Caisse Fédérale de Crédit Mutuel, effective June 9, with the following consequences:

- the expiration of the suspension agreement of April 4, 2024;
- the automatic reinstatement of the employment contract with Caisse Fédérale de Crédit Mutuel on the day following the end of the term of office as Chief Executive Officer, namely June 10, 2026.

Éric Petitgand did not receive any termination benefits upon the end of his term of office.

On June 10, 2026, the Board of Directors of Caisse Fédérale de Crédit Mutuel, on the proposal of the Appointments Committee, decided to appoint Claude Koestner to the position of Chief Executive Officer - effective manager of Caisse Fédérale de Crédit Mutuel, effective June 10, 2026, with the following consequences:

- the implementation of an agreement to suspend the employment contract from June 10, 2026 under the following terms:
  - the reference wage that will be the basis of all rights related to the term of office of Chief Executive Officer will be that of the suspended employment contract, i.e. €700,000. It is on this basis that all related rights will be calculated and in particular the rights calculated in the event of retirement,
  - the time spent in the corporate office will be taken into account in the calculation of the length of service within the group and to determine the related benefits,
  - the continued benefit of the defined-contribution supplementary pension plan, the insurance scheme and the health insurance plan for Group employees,
  - the inclusion of ESG criteria in the benchmark compensation. The benchmark compensation may, if necessary, be reassessed by decision of the Compensation Committee, taking into account, in particular, the achievement of the social and environmental objectives pursued at Crédit Mutuel Alliance Fédérale.
- the implementation of compensation for the office of Chief Executive Officer:
  - a fixed annual compensation amounting to €950,000,
  - a company car,
  - the implementation of the senior executive insurance policy (GSC).
- the introduction of termination benefits: the termination benefits, or equivalent termination benefit is set at a maximum of two years of fixed benefit at the time of the event and in accordance with Crédit Mutuel's confederate framework on compensation policies and practices. The amount awarded is based for 50% on economic criteria and 50% on ESG criteria.

  The terms and conditions of the Chief Executive Officer's termination benefits are now subject to a number of criteria to comply with the regulatory framework and Crédit Mutuel's confederate framework. These criteria include performance criteria:

  - economic criteria: 50%
    - yield on gross assets (net income on average risk-weighted assets) higher than the average of the top three French banks,
    - cost/income ratio below 60% and below the average of the top three French banks,
    - solvency ratio (CET1) higher than the average of the top three French banks.

    Calculations are based on the last three calendar years and published results. Each criterion accounts for one-third.
  - ESG criteria: 50%
    - the rate of achievement of the objectives set as part of the commitments made as a benefit corporation (30%),
    - risk management (10%),
    - the implementation of the group's strategic ambitions (10%).

    Assessments are made by the supervisory bodies on the basis of documentation independent of Executive Management, i.e. the benefit corporation's monitoring committee, internal audit, and the achievements of the strategic plan presented to the governance bodies. None of these criteria may give rise to outperformance.
  - the inclusion of a non-competition clause.

The other positions and functions of the Chairman of the Board of Directors, the Chief Executive Officer and the Chief Operating Officer within the entities of Crédit Mutuel Alliance Fédérale are exercised on a voluntary basis.

COMPENSATION RECEIVED BY KEY GROUP EXECUTIVES FROM JANUARY 1 TO JUNE 30, 2026

Compensation received by the group's key executives is detailed in the table below.

During the fiscal year, they also benefited from the group collective insurance and supplementary pension plans.

However, the two corporate officers of Caisse Fédérale de Crédit Mutuel did not receive any other specific benefits or arrangements other than the benefits in kind described below.

The group's key executives may hold assets or loans with the group's banks, under the conditions offered to all employees.

As of June 30, 2026, the Chief Executive Officer and the Chief Operating Officer hold commitments within Crédit Mutuel Alliance Fédérale.

half-year 2026 (in euros)[a]	Origin[b]	Fixed portion	Variable portion	Benefits in kind[c]	Employer contributions for supplementary benefits	Total
Daniel Baal - Chairman of the Board Directors	Caisse Fédérale de Crédit Mutuel	475,000.02		5,374.69		480,374.71
Daniel Baal - In his former position as Chief Executive Officer until April 3, 2024 [d]	Caisse Fédérale de Crédit Mutuel		218,676.51			218,676.51
Eric Petitgand - Chief Executive Officer	Caisse Fédérale de Crédit Mutuel	419,583.35		1,132.50		420,715.85
Claude Koestner – Chief Executive Officer	Caisse Fédérale de Crédit Mutuel	55,416.67		481.33		55,898.00
Anne Sophie Van Hoove - Chief Operating Officer	Caisse Fédérale de Crédit Mutuel	298,307.71		2,789.46		301,097.17

(a) Gross amounts paid by the company during the year.

(b) The Chairman of the Board of Directors, the Chief Executive Officer, and the Chief Operating Officer are paid in respect of their corporate offices within Caisse Fédérale de Crédit Mutuel. The other positions and functions of the Chairman of the Board of Directors, the Chief Executive Officer and the Chief Operating Officer within the entities of Crédit Mutuel Alliance Fédérale are exercised on a voluntary basis.

(c) Company cars.

(d) For Daniel Baal's variable portion, payment in March 2026 of amounts deferred for 2025 and linked to his termination benefits as Chief Executive Officer of Caisse Fédérale de Crédit Mutuel granted in 2024.

COMPENSATION RECEIVED BY THE GROUP'S KEY EXECUTIVES FROM JANUARY 1 TO DECEMBER 31, 2025

2025 (in euros)[a]	Origin[b]	Fixed portion	Variable portion	Benefits in kind[c]	Employer contributions for supplementary benefits	Total
Daniel Baal - Chairman of the Board Directors	Caisse Fédérale de Crédit Mutuel	950,000.04		3,850.49	8,563.38	962,413.91
Daniel Baal - In his former position as Chief Executive Officer until April 3, 2024 [d]	Caisse Fédérale de Crédit Mutuel		111,150.00			111,150.00
Eric Petitgand - Chief Executive Officer	Caisse Fédérale de Crédit Mutuel	930,000.03		4,840.08	8,563.38	943,043.49
Anne Sophie Van Hoove - Chief Operating Officer	Caisse Fédérale de Crédit Mutuel	515,544.60		5,630.41	8,563.38	529,738.25

(a) Gross amounts paid by the company during the year.

(b) The Chairman of the Board of Directors, the Chief Executive Officer, and the Chief Operating Officer are paid in respect of their corporate offices within Caisse Fédérale de Crédit Mutuel. The other positions and functions of the Chairman of the Board of Directors, the Chief Executive Officer and the Chief Operating Officer within the entities of Crédit Mutuel Alliance Fédérale are exercised on a voluntary basis.

(c) Company cars

(d) For Daniel Baal's variable portion, payment in March 2025 of amounts deferred for 2025 and linked to his termination benefits as Chief Executive Officer of Caisse Fédérale de Crédit Mutuel granted in 2024.

3.2 BFCM - CORPORATE GOVERNANCE REPORT

3.2.1 Composition of the management bodies as of June 30, 2026

Presentation of the Board of Directors

	Age[1]	Gender	Start of term of office	End of term of office
Daniel BAAL *Chairman*	68	M	2024	2029
Catherine LAMBLIN-MESSIEN *Vice-Chairwoman*	61	F	2022	2028
Françoise APERTET *Director*	65	F	2025	2028
Claude KOESTNER *Permanent representative of Caisse Fédérale de Crédit Mutuel, director*	56	M	2026	2028
Fabrice SIQUOT *Permanent representative of Caisse Fédérale de Crédit Mutuel de Maine-Anjou et Basse-Normandie, director*	55	M	2024	2027
René CAREL *Director*	67	M	2024	2028
Martine GAILLOU *Director*	65	F	2025	2028
Philippe GALLIENNE *Director*	70	M	2019	2028
Anne GASSER *Director*	58	F	2025	2028
Nicolas HABERT *Director*	64	M	2020	2027
Régine KOPP *Director*	57	F	2025	2028
Frédéric RANCHON *Director*	60	M	2024	2027
Eveline RETORY *Director*	68	F	2025	2028
Edwige SCHMITT *Director*	67	F	2025	2028
Dominique HOHLER *Censor*	66	M	2025	2028
Gilberte LANGER *Censor*	64	F	2025	2028
Nathalie MUSSI *Censor*	57	F	2025	2028

(1) Age at June 30, 2026.

The Board of Directors of Banque Fédérative du Crédit Mutuel is composed of 17 non-executive members, including 14 directors and 3 censors.

In the first half of 2026, the Board of Directors of Banque Fédérative du Crédit Mutuel duly noted the expiration of the terms of office of Michel Kocher, Jean-Michel Pfindel, and Philippe Leplaideur as censors, and the expiration of the terms of office of Éric Petitgand and Philippe Tuffreau as directors. The Board of Directors of Banque Fédérative du Crédit Mutuel also appointed Catherine Lamblin-Messien as Vice-Chairwoman and Claude Koestner as permanent representative of Caisse Fédérale de Crédit Mutuel.

Other participants

In accordance with Article L.2312-72 of the French Labor Code, two representatives of the Social and Economic Committee attend the meetings of the Board of Directors in an advisory capacity.

Composition of Executive Management

The Executive Management of Banque Fédérative du Crédit Mutuel comprises two executives holding an executive office:

- Éric Charpentier, Chief Executive Officer - effective manager;
- Alexandre Saada, Deputy Chief Executive Officer - effective manager.

3.2.2 Positions and functions held by the members of the management bodies

Director whose term of office began in the first half of 2026

Claude Koestner

Born on April 28, 1970
Nationality: French

Business address:
4 rue Frédéric-Guillaume Raiffeisen
67000 Strasbourg

Summary of main areas of expertise and experience

Claude Koestner began his career at CIC Est in 1996 as Assistant Director and Director of a group of retail agencies before becoming Business Manager in 2000 and then Director of Corporate Agencies in 2004. In 2010, he was responsible for large companies and was appointed Chief Operating Officer in 2014. He was Chief Executive Officer of CIC Est between 2016 and 2020 and, concurrently, became Deputy Chief Executive Officer of CIC in 2017. In 2020, he was also appointed Chairman of the Executive Board of BECM. Since 2024, he has been Chief Operating Officer of CIC, notably in charge of managing network operations, retail banking, and the five regional banks (CIC Nord Ouest, CIC Ouest, CIC Est, CIC Sud Ouest, and CIC Lyonnaise de Banque). In June 2026, he was appointed Chief Executive Officer - effective manager of Caisse Fédérale de Crédit Mutuel. He holds offices in several supervisory bodies of Crédit Mutuel Alliance Fédérale, particularly related to his role as Chief Executive Officer of Caisse Fédérale de Crédit Mutuel.

Permanent representative of Caisse Fédérale de Crédit Mutuel, director
Start of term of office: 2026
End of term of office: 2028

Other mandates and functions as at June 30, 2026

Chief Executive Officer
Caisse Fédérale de Crédit Mutuel
Chief Operating Officer
Crédit Industriel et Commercial
Permanent representative of CFCM, director
Fédération du Crédit Mutuel Centre Est Europe
Banque Fédérative du Crédit Mutuel
Member of the Executive Board
Groupe des Assurances du Crédit Mutuel
Chairman of the Executive Board
Banque Européenne du Crédit Mutuel
Chairman of the Board of Directors
Banque CIC Sud-Ouest
Crédit Mutuel Factoring
Chairman of the Supervisory Board
CCLS
Permanent representative of BECM, member of the Management Board
Euro-Information

Terms of office expired over the past five fiscal years

Chairman and Chief Executive Officer
Banque Européenne du Crédit Mutuel Monaco
Chief Executive Officer
CIC Est
Deputy Chief Executive Officer
Crédit Industriel et Commercial
Member of the Management Board
Euro-Information Telecom
Permanent representative of CIC, member of the Management Board
Euro-Information
Chairman of the Board of Directors
Crédit Mutuel Leasing
Bail Actéa
Factofrance
Vice-Chairman of the Supervisory Board
Crédit Mutuel Equity
Permanent representative of CIC, member of the Supervisory Board
Banque Transatlantique
Groupe des Assurances du Crédit Mutuel
Permanent representative of CICOVAL, member of the Board of Directors
Crédit Mutuel Investment Managers
Permanent representative of ACM Vie SAM, member of the Board of Directors
ACM Vie SA
Vice-Chairman of the Supervisory Board
Crédit Mutuel Immobilier

4

Risks and capital adequacy – Pillar 3

4.1 Key indicators (EU KM1)

Pending the update of all the required interim tables, please refer to the 2025 Universal Registration Document. In anticipation of this publication, the main ratios estimated at June 30, 2026, are included in the table below (EBA EU KM1 template):

(in € millions or as a percentage)	06/30/2026	03/31/2026	12/31/2025	09/30/2025	06/30/2025
AVAILABLE EQUITY					
1 – Common Equity Tier 1 (CET1) capital	65,099	62,282	63,028	60,714	60,750
2 – Tier 1 capital	65,159	62,344	63,082	60,767	60,803
3 – Total equity	72,919	70,213	70,825	67,801	67,939
RISK-WEIGHTED ASSETS					
4 – Total amount of risk-weighted assets	335,022	334,381	320,012	312,723	312,606
4a – Total risk exposure pre-floor	335,022	334,381	320,012	312,723	312,606
CAPITAL RATIOS (AS A PERCENTAGE OF THE RISK-WEIGHTED EXPOSURE AMOUNT)					
5 – Common Equity Tier 1 capital ratio	19.4%	18.6%	19.7%	19.4%	19.4%
5b – Common Equity Tier 1 ratio considering unfloored TREA (%)	19.4%	18.6%	19.7%	19.4%	19.4%
6 – Tier 1 capital ratio	19.4%	18.6%	19.7%	19.4%	19.5%
6b – Tier 1 ratio considering unfloored TREA (%)	19.4%	18.6%	19.7%	19.4%	19.5%
7 – Total equity ratio	21.8%	21.0%	22.1%	21.7%	21.7%
7b –Total capital ratio considering unfloored TREA (%)	21.8%	21.0%	22.1%	21.7%	21.7%
ADDITIONAL SREP CAPITAL REQUIREMENTS (PILLAR 2 AS A PERCENTAGE OF RISK-WEIGHTED ASSETS)					
EU 7d – Pillar 2 capital requirements	1.9%	1.9%	1.8%	1.8%	1.8%
EU 7e – of which: to be met with CET1 capital	*1.0%*	*1.0%*	*1.0%*	*1.0%*	*1.0%*
EU 7f – of which: to be met with Tier 1 capital	*1.4%*	*1.4%*	*1.4%*	*1.3%*	*1.3%*
EU 7g – Total SREP capital requirements	9.9%	9.9%	9.8%	9.8%	9.8%
TOTAL BUFFER REQUIREMENT AND TOTAL CAPITAL REQUIREMENT (AS A PERCENTAGE OF THE RISK-WEIGHTED ASSETS)					
8 – Capital conservation buffer	2.5%	2.5%	2.5%	2.5%	2.5%
EU 8a – Conservation buffer resulting from the macroprudential or systemic risk observed at the level of a Member State (in %)	0	0	0	0	0
9 – Countercyclical capital buffer (in %)	0.9%	0.9%	0.9%	0.9%	0.9%
EU 9a – Systemic risk buffer (in %)	0	0	0	0	0
10 – Buffer for global systemically important institutions (in %)	0	0	0	0	0
EU 10a – Buffer for other systemically important institutions (in %)	0	0	0	0	0
11 – Total buffer requirement	3.4%	3.4%	3.4%	3.4%	3.4%
EU 11a – Total capital requirements	13.2%	13.2%	13.2%	13.1%	13.1%
12 – CET1 capital available after compliance with the total SREP capital requirements [(1)]	11.9%	11.1%	12.3%	11.9%	12.0%
LEVERAGE RATIO					
13 – Total exposure measurement	850,113	846,948	797,026	800,307	786,524
14 – Leverage ratio	7.7%	7.4%	7.9%	7.6%	7.7%
ADDITIONAL CAPITAL REQUIREMENTS TO ADDRESS THE RISK OF EXCESSIVE LEVERAGE (AS A PERCENTAGE OF THE MEASUREMENT OF EXPOSURE FOR LEVERAGE PURPOSES)					
EU 14a – Additional capital requirements to address the risk of excessive leverage	0	0	0	0	0
EU 14b – of which: to be met with CET1 capital (percentage points)	0	0	0	0	0
EU 14c – Total SREP leverage ratio requirements	3.0%	3.0%	3.0%	3.0%	3.0%
LEVERAGE RATIO BUFFER REQUIREMENT AND TOTAL LEVERAGE RATIO REQUIREMENT (AS A PERCENTAGE OF THE MEASUREMENT OF EXPOSURE FOR LEVERAGE PURPOSES)					
EU 14d – Leverage ratio buffer requirement	0.0%	0.0%	0.0%	0.0%	0.0%
EU 14e – Total leverage ratio requirement	3.0%	3.0%	3.0%	3.0%	3.0%
LIQUIDITY COVERAGE RATIO (LCR)[(2)]					
15 – Total liquid assets (HQLA)	103,078	102,269	103,966	107,997	110,956
EU 16a – Cash outflows	88,317	86,319	86,284	86,850	88,022
EU 16b – Cash inflows	22,800	23,107	23,276	23,194	22,802
16 – Total net cash outflows	65,517	63,212	63,009	63,655	65,220
17 – Liquidity coverage ratio (LCR)	158.5%	163.0%	165.9%	170.2%	170.6%
NET STABLE FUNDING RATIO (NSFR)					
18 – Total available stable funding	N.D	567,958	537,441	536,702	537,218
19 – Total required stable funding	N.D	493,846	465,097	458,288	457,767
20 – Net stable funding ratio (NSFR)	N.D	115.0%	115.6%	117.1%	117.4%

(1) The EBA recommends using, for this line, the minimum available capital after covering SREP capital requirements for CET1 capital, Tier 1 capital, or total capital. For Crédit Mutuel Alliance Fédérale, the minimum covers total capital.

(2) Number of dates used in the calculation of averages: 12.

4.2 RISK FACTORS (EU OVA)

Crédit Mutuel Alliance Fédérale (hereinafter referred to as “the group”) includes all entities in the “regulatory perimeter”, comprising the Crédit Mutuel banks, the federations and Caisse Fédérale de Crédit Mutuel, and the “BFCM consolidated scope”, consisting of Banque Fédérative du Crédit Mutuel and all its subsidiaries.

Crédit Mutuel Alliance Fédérale is exposed to multiple risks associated with its Retail Banking, Insurance, Corporate Banking and Capital Markets, Private Banking and Private Equity. The group has set up a process to identify and measure risks related to its activities which enables it, at least once a year, to prepare the map of its most significant risks. The risk mapping is submitted for approval by the group’s Board of Directors.

Below are the main factors that can significantly influence the group’s risks. Major risks are addressed first within each category.

4.2.1 Risks related to the group’s banking and insurance activities

4.2.1.1 Credit risk

Crédit Mutuel Alliance Fédérale’s primary risk is credit risk, because of its business model. Gross exposures on-balance sheet, off-balance sheet, derivatives and repurchase agreements – which are almost exclusively subject to credit risk, represented nearly €933 billion as of December 31, 2025[1].

Details of exposures by type of counterparty are available in Pillar 3 of the 2025 Universal Registration Document, tables 32 “Performing and non-performing exposures and related provisions – EU CR1” and 28 “Credit quality of loans and advances to non-financial corporations by industry – EU CQ5”.

Given the structure of its exposures, Crédit Mutuel Alliance Fédérale is strongly exposed to the deterioration in the economic environment. Thus, a stronger-than-expected deterioration in the economic environment could have four types of significant impacts on the group’s credit risk exposures:

a. The series of crises since 2020 (Covid, Russia-Ukraine conflict, energy crisis, climate crisis, political crisis in France) has led to a sharp increase in corporate defaults in France and Germany, Crédit Mutuel Alliance Fédérale’s two main markets. The amplification of the crisis could generate **an increase in defaults** related to the inability of counterparties to meet their contractual obligations **which would require a significant increase in the provisioning effort in the income statement.** As a result, Crédit Mutuel Alliance Fédérale’s rate of non-performing and disputed loans was 3.3% as of June 30, 2026, unchanged from December 31, 2025. In relation to gross outstanding loans and adjusted for technical effects related to the first-time consolidation of OLB, the cost of risk amounted to 39 basis points as of June 30, 2026, compared with 33 basis points at the end of 2025. The group has a buffer of provisions on sound or defaulted outstandings of €12.1 billion as of June 30, 2026, compared with €11.5 billion at the end of 2025 (€11.1 billion at the end of 2024), which could therefore prove insufficient.

b. Residential real estate loans represent 50% of net customer loans, i.e, €283 billion as of June 30, 2026, compared with €268 billion as of December 31, 2025, primarily in France. In a context of the entry into force of the regulation on poorly insulated housing and increased climate risks (more frequent flooding, etc.), the value of the assets given as collateral could be adversely affected and be largely insufficient to cover the amount of the principal and interest due on loans in difficulty and require significant additional provisions. The cost of risk on the French network’s home loans amounted to 0.04% as of June 30, 2026, compared with 0.02% in 2025, and had reached up to 0.10% in previous crises.

c. **The default of one or more of the group’s largest customers could degrade its profitability.** Crédit Mutuel Alliance Fédérale has a relatively high unitary exposure to certain States, banking counterparties or large groups, mainly French, some of which have benefited from support measures implemented by public authorities (i.e., State-guaranteed loans). These counterparties, which mainly borrow at variable rates, could be affected by the increase in interest rates and the deterioration of the economic environment and face repayment difficulties. Among States and similar entities, i.e, €173 billion at the end of 2025 (€183 billion at the end of 2024), the group is principally exposed to France for €126 billion, mainly to the Banque de France (€53 billion), which is a member of the Eurosystem, and to the Caisse des dépôts et consignations (over €53 billion, which is considered to be a sovereign risk in France due to the centralization mechanism for deposits from regulated savings accounts). Other than States, as of December 31, 2025, single on- and off-balance sheet exposures exceeding €300 million, i.e., less than 10% of net income, represented €4.5 billion on banks for 5 counterparties and almost €47 billion on companies for 68 counterparties. The probability of several of these counterparties being downgraded or even defaulting simultaneously cannot be ruled out and would affect the profitability of the group.

d. An increase in **risk-weighted assets making up the denominator of the solvency ratio**. Within Crédit Mutuel Alliance Fédérale, 64% of total exposures to credit risk are assigned an internal rating, the quality of which affects the calculation of the credit risk-related capital requirements under Basel III, and therefore the group’s solvency ratio. A deterioration in the ratings of all or part of the portfolio, due to a sharp deterioration in the economic situation, could therefore lead to a reduction in the group’s solvency ratios.

4.2.1.2 Risks related to insurance activities

As a banking and insurance provider, Crédit Mutuel Alliance Fédérale is subject to supplementary supervision under Directive 2002/87/EC on the supervision of financial conglomerates, known as FICOD.

Groupe des Assurances du Crédit Mutuel (GACM) is the holding company for the group’s insurance subsidiaries, which distribute their life and non-life products mainly through the group’s banking networks.

The weight of the group’s insurance business could, in the event of a sharp deterioration in the economic and financial environment, affect the profitability and solvency of Crédit Mutuel Alliance Fédérale.

GACM has a risk management policy that sets out the principles that GACM and its French and foreign insurance entities must apply in compliance with local regulations, consistent with the

[1] *Pending the update of credit risk data at June 30, 2026, please refer to the data published in the 2025 universal registration document.*

governance framework and overall strategy of GACM and its entities.

The main risks related to insurance activities are as follows:

a. Underwriting risk

Underwriting risk concerns savings, retirement, creditor insurance, protection, non-life insurance and health. Depending on the activity, it may cover various risks:

- life underwriting risks: mortality, surrenders, longevity, catastrophe, expenses, revision and incapacity/disability;
- non-life underwriting risks: undervaluation of claims, catastrophe and surrenders;
- health underwriting risks: incapacity/disability, longevity, medical expenses/hospitalization, surrender, mortality, catastrophe, expenses and revision.

The risk concentration is low for GACM, which manages a portfolio mainly composed of individuals.

All of these risks are carefully managed through pricing and provisioning risk management processes, as well as a reinsurance program designed to protect the earnings and solvency of GACM entities by limiting the impact of any underwriting losses on shareholders' equity.

The underwriting risks described above are monitored by entity and by business segment.

The level of claims for each business line is monitored, as are various technical indicators (new business production, churn rate, claims to premium ratio, claims frequency, etc.).

The savings portfolio of GACM's life entities is also monitored on a regular basis (in terms of surrenders, arbitration, claims, and gross premiums).

b. Market risk

Market risk is the risk of loss that may result from fluctuations in the prices and yields of the financial instruments making up a portfolio.

Insurance market risks are made up of a variety of risks: falling equity markets, credit risk, rising or falling interest rates, liquidity, real estate, inflation, concentration and currency.

This market risk is carefully managed by means of limits and asset dispersion rules. The risk management policy also includes:

- individual control of certain financial risks deemed major (interest rate risk, equity risk, credit risk, etc.);
- an overall risk analysis aimed at protecting the entities against the simultaneous occurrence of several of these risks.

The main market risks weighing on GACM are as follows:

Equity risk

The impairment of shares and similar may impact the financial statements, balance sheet and solvency of the insurance company.

The equity risk is monitored through various indicators, such as equity breakeven points.

Interest rate risk

For savings & retirement insurance, interest rate risk is an upside risk – the inertia of interest rates can cause the rate paid by the insurer to fall below market levels, leading to surrender situations – or a downside risk – the insurer may no longer be able to pay the guaranteed minimum rates due to falling asset yields.

The high level of the provision for participation in surplus earnings (PPE) reduces exposure to the risk of rising interest rates.

Credit risk

Credit risk is the risk of an issuer defaulting and being unable to repay its debt. This risk remains limited thanks to the good diversification of the bond portfolio between public and private issuers, as well as its good credit quality.

Credit risk is managed by limit systems and a set of rules governing the selection of counterparties (or reinsurers).

c. Operational and compliance risks

Operational risks are the risks of losses resulting from an inadequacy or failure attributable to:

- non-compliance with internal procedures;
- human factors;
- IT systems failures;
- external events including legal risk.

Operational risks include cybersecurity, data quality, non-compliance and legal risks.

A business continuity policy has been drawn up. It describes the strategy adopted by GACM, as well as the crisis management system put in place in the event of a major incident.

GACM has a business continuity plan (BCP), as well as a disaster recovery plan (DRP) tested by Euro-Information.

Risk mapping makes it possible to identify, assess and measure the risks incurred.

With regard to cybersecurity risk, GACM benefits from the resources of Crédit Mutuel Alliance Fédérale and has implemented governance and risk reduction measures that are ISMS (information security management system) certified.

With regard to data quality, GACM has put in place a stringent policy, defining governance, flow mapping and a dictionary, as well as a control and reporting system.

Lastly, in order to manage the risk of non-compliance, an organization has been set up around the key compliance function, in liaison with Crédit Mutuel Alliance Fédérale's compliance department and with partner subsidiaries, and has a network of correspondents within the business lines.

d. Sustainability risk

Sustainability risk refers to an environmental, social or governance (ESG) event or situation which, if it occurs, could have a material adverse effect, actual or potential, on GACM's performance or reputation. It includes climate and biodiversity risks.

GACM is exposed to sustainability risk notably through its property & casualty insurance business and its asset portfolio.

The group has a regularly updated ESG policy, enabling it to take into account sustainability risks on its assets as well as the environmental or social impacts of its investments.

In order to limit its exposure to and support for certain activities with a high environmental or social impact, GACM applies sectoral policies, in line with Crédit Mutuel Alliance Fédérale.

In addition, GACM has committed to reducing the carbon footprint of its portfolio of investments - in shares and bonds of directly held companies - by 2030.

Finally, GACM's shareholder engagement policy sets out how GACM intends to exercise its shareholder rights in the companies in which it invests.

4.2.2 Financial risks related to the group's activities and macroeconomic conditions

Financial risks are those related to the impact of changes in market conditions on liquidity risk, interest rate risk and market risk.

4.2.2.1 Liquidity risk

Liquidity risk is the ability of an institution to honor its commitments at a reasonable price at any time. Thus, an inability to honor net outflows of cash because of a scarcity of financial resources in the short-, medium- and long-term creates exposure to liquidity risk.

Liquidity risk can occur over different time periods and respond to multiple factors, which requires appropriate and differentiated management. The main risk factors associated with liquidity risk are:

a. **A sudden and massive outflow of liquidity**

The group must be able to deal with sudden and significant liquidity leaks, whether in connection with customers (leakage of deposits, off-balance sheet drawdowns) or Capital Markets (margin calls, additional collateral requirement, debt buybacks, etc.). In order to cover this risk, the group has a liquidity reserve made up of deposits with central banks, mainly the European Central Bank, high-quality securities, and private-sector debt securities eligible for central bank refinancing. This reserve amounted to €143.3 billion as of June 30, 2026. This short-term risk is managed using the LCR, whose average level for the first six months of 2026 exceeds 150%, which represents an average surplus of more than €30 billion over the minimum regulatory requirements.

b. **An unbalanced change in the commercial gap**

As a universal bank, Crédit Mutuel Alliance Fédérale is active in both the loan and savings markets. With a loan-to deposit ratio of more than 100%, Crédit Mutuel Alliance Fédérale is structurally a borrower and uses market financing to balance its balance sheet. An increase in the ratio, and therefore in the commercial gap (the gap between loans and customer deposits), can increase the dependence on external refinancing, thereby increasing the exposure to liquidity risk.

Monitoring and managing the loan-to-deposit ratio (gross and net of CDC centralization) within risk appetite parameters enables the group to control its exposure to liquidity risk. Measures are regularly taken to keep the ratio around the strategic plan's target of 110% before centralization by the end of 2027. As of June 30, 2026, it stood at 112.4%. The group must remain attentive to the range of products offered to customers and their pricing in order to meet its target.

c. **The effects of a change in interest rates on the balance sheet structure**

The interest rate environment and the central bank's monetary policy have a significant impact on bank savings, which could lead to a distortion of the balance sheet. During periods of rapidly rising interest rates, as in 2022 and 2023, banks see a surge in deposits, but at a higher cost, especially for regulated products. In contrast, in a low-interest-rate environment, customers may seek higher-yielding investments, such as stocks, savings & retirement insurance or mutual funds, which could result in a flight from bank savings. To protect their deposits, banks then adjust their strategy, primarily by raising interest rates on term deposits. As part of this effort, Crédit Mutuel Alliance Fédérale regularly launches deposit campaigns offering higher interest rates to attract new depositors.

As the main source of balance sheet financing, bank deposits have been closely monitored since the end of 2022 and pricing adjustments according to changes in market rates or their expectations are supported by close monitoring of outstandings.

d. **More difficult access to market refinancing**

In a tense geopolitical environment marked by uncertainty in the financial sector, it may become more difficult to access medium- and long-term refinancing.

In 2026, the Middle East war sparked new tensions in financial markets. Widening credit spreads, inflationary pressures and central banks' cautious stance led to higher funding costs. However, the market remained liquid, allowing BFCM to proceed with its 2026 program without any major issues.

Furthermore, the markets are beginning to anticipate potential tensions in France and for French financial institutions, linked both to the vote on the Finance Bill and to the presidential elections scheduled for spring 2027. The OAT-Bund spread widened again, confirming investors' concerns about the country's political climate. Such uncertainties could have a negative impact on French banks' refinancing costs in 2027. In light of this risk, BFCM remains particularly vigilant and will bring forward with its 2027 program as soon as possible in order to secure its refinancing under less volatile conditions.

At the same time, some major technology groups (such as US cloud giants) have recently issued, or are likely to issue, substantial amounts of bonds to finance their investment needs related to the development of artificial intelligence. This development could increase competition among issuers in capital markets as they seek to attract institutional investors.

e. **Excessive transformation to liquidity**

To minimize exposure to the aforementioned risks, we have to focus on proper asset-liability maturity matching and keep a close eye on balance sheet transformation. The Net Stable Funding Ratio (NSFR) secures this balance over a one-year horizon. At March 31, 2026, Crédit Mutuel Alliance Fédérale's NSFR stood at 115.0% with a stable surplus of resources of €74.1 billion.

f. **A significant deterioration in the ratings of BFCM**

BFCM is the main issuer of Crédit Mutuel Alliance Fédérale, and as such carries the ratings on behalf of the group. BFCM's long-term *(Senior Preferred)* ratings are AA- negative for Fitch Ratings (confirmed on July 7, 2026), A1 negative for Moody's (confirmed on May 26, 2026) and A+ stable for Standard & Poor's (confirmed on December 8, 2025). The latter agency rates the Crédit Mutuel group and its major issuers.

The downgrade of these credit ratings could have an impact on the refinancing of Crédit Mutuel Alliance Fédérale. Reflecting a lower credit quality, it could be more complicated to raise resources and would squeeze out some investors depending on their investment constraints. The relative cost of refinancing would also be instantly increased and this deterioration could also result in increased collateral requirements in certain activities or bilateral contracts.

In 2025, France's sovereign rating was downgraded by the rating agencies due to the prospect of a worsening fiscal situation and political uncertainty. However, BFCM's rating was kept unchanged, thanks to its strong capitalization and satisfactory asset quality. Crédit Mutuel Alliance Fédérale thus completed its entire refinancing program in 2025 and was able to bring forward part of its 2026 program through pre-funding issuance at the end of 2025. As of end-June 2026, nearly 80% of the refinancing program had been completed.

g. An unfavorable change in collateral

Many Capital Markets require the mobilization of collateral, either on a permanent basis (guarantee deposits, initial margins) or according to changes in valuations. An unfavorable change in the markets, a downgrade in the rating (see above), or a tightening of the constraints imposed by certain market participants may generate an increase in the liquidity mobilized, either temporarily or permanently.

The collateral constituting the liquidity reserve and eligible at the central bank may be affected by changes in the implementation of monetary policy: increase in discounts, end of eligibility of certain assets. Thus, following the expiration of eligibility for certain corporate private debt (ACC corporate), the Banque de France decided to end the eligibility of PGE (prêt garanti par l'État – State-guaranteed loan) as of December 19, 2025. These changes resulted in a slight decrease in the liquidity reserve.

4.2.2.2 Interest rate risk

Interest rate risk refers to the impact of changes in interest rates on a bank's financial income and value, affecting the profitability of interest income and expenses, as well as the valuation of its assets and liabilities. This risk is measured on the banking book and excludes the trading book.

The main risk factors associated with interest rate risks are:

a. A conversion rate that is too high

Crédit Mutuel Alliance Fédérale's business with its customers generates a risk of an increase in interest rates through the granting of long-term fixed-rate loans that cannot be offset by the customer's resources. This risk is controlled by the measures taken by asset-liability management, which calibrate the hedging transactions required to maintain the exposure within the approved risk appetite framework.

The economic value (or "EVE") sensitivity of Crédit Mutuel Alliance Fédérale's balance sheet, determined according to six regulatory scenarios, is below the 15% threshold for Common Equity Tier 1 capital. Crédit Mutuel Alliance Fédérale is sensitive to a 200 bp rise across the entire yield curve, with an EVE sensitivity of -7.58% relative to Common Equity Tier 1 capital as of June 30, 2026. The sensitivity of the one-year and two-year net interest margin is determined based on several internal scenarios, along with the two regulatory scenarios (SOT MNI). The -200 bp SOT MNI indicates a sensitivity of -2.64% of Tier 1 capital as of June 30, 2026, a level that complies with both the group's threshold and the regulatory limit.

b. A sudden rise in interest rates

A sudden rise in interest rates, like the one Europe experienced in 2022 and 2023, highlighted the risk of uneven transmission of interest rate movements across the bank's balance sheet. With regard to loans, only new loans reflect the rise in interest rates, while early repayments on existing loans decline. When it comes to deposits, products such as passbook accounts benefit from a rise in interest rates across the board, and term deposit interest rates once again become attractive; there is a massive shift from low-interest or non-interest-bearing deposits to more attractive products. This results in a squeeze on the net interest margin, which is nevertheless mitigated by the hedging effect of interest rate swaps until the overall balance of the interest rate structure adjusts to this new environment. Given the current situation, a rise in interest rates is likely: inflationary risks in an unstable and unpredictable geopolitical context (war in the Middle East since early 2026), even though financial markets are showing some resilience.

c. Barriers to the transmission of market rates: administered rates and usury rates

In addition to the aforementioned risk of changes in market rates, the impact of factors that hinder the transmission of market rates to customers adds to this risk. When it comes to loans, constraints related to the usury rate and how often it is adjusted can create a distortion between the market and customer pricing. For example, in 2022, the ECB raised interest rates several times and at a rapid pace. As a result, commercial banks immediately faced higher refinancing costs. In contrast, usury rates remained unchanged for several months before being gradually readjusted, which significantly reduced banks' commercial margins. Deposit rates are also subject to several constraints. Interest rates on regulated deposits are adjusted by public authorities at varying intervals, and the formula used to calculate them, which tends to reflect changes in market conditions, is not always followed. The final decision on setting the rate for regulated deposits rests with the Ministry of Finance. Interest rates set by the State for regulated savings may therefore move differently from interbank market rates, thereby creating a mismatch between the funding cost and return on investments.

d. Risk of yield curve distortion

The structure of a bank's balance sheet is sensitive to non-parallel shifts in the yield curve. A flattening (or even inversion) of the yield curve, for example through a rise in short-term interest rates, leads to a sharp decline in the net interest margin. It can even turn negative given the banking model (borrowing short-term to lend long-term).

4.2.2.3 Market risk

This is the risk of loss of value caused by any unfavorable change in market parameters such as interest rates, the prices of securities, exchange rates or commodities prices. Market risk concerns activities of several business lines of the bank, including the Capital Markets of CIC Corporate & Institutional Banking (CIC CIB), the asset-liability management activity and the asset management business of the group's management companies. The impact of market risk on insurance activities is described in the "Risks related to insurance activities" section 4.2.1.2 above.

The potential impact of market risk on the ALM business is described above. The risk involving asset management is due to the fact that the fees received by this business line vary with the valuation of the funds under management, which is set by markets.

The group's Capital Markets are subject to several types of risk:

a. A worsening of economic prospects would negatively affect the financial markets, which are supposed to reflect the health of issuers of the capital and debt securities that are traded in them. The valuation of transferable securities would decline, the volatility of valuations would increase and liquidity could be reduced in certain markets. A long period of fluctuation, in particular a fall in asset prices, could expose CIC CIB's capital markets activities to a risk of significant losses, particularly when faced with difficulties in selling positions in a context of declining market liquidity.

The volatility of financial markets may have an unfavorable effect and lead to corrections on risky assets and generate losses for the group. In particular, an increase in volatility levels could make it difficult or costly for the group to hedge certain positions.

The investment business line would suffer from adverse financial market conditions to the extent that this business line, particularly in anticipation of an improving economy, takes a position on increasing stock market valuations and on a better rating quality of debt issuers.

The results of the commercial business line would also be negatively impacted by poor market conditions. Fees from the brokerage business would drop in proportion to the decline in transaction valuations. Similarly, the number of transactions on the primary market (initial public offers, capital increases and debt issues) would drop, which would translate directly into less fees.

If funds managed on behalf of third parties within Crédit Mutuel Alliance Fédérale were to perform below those of market competitors, customer withdrawals could increase, which would affect the revenues of this activity.

b. In France, political and fiscal instability continued to weigh on the start of 2026, with sluggish growth and an unexpected decline in GDP (-0.1%) in the first quarter. This situation, combined with the effects of the energy shock caused by tensions in the Middle East, led to higher bond market volatility.

10-year OAT yields fluctuated sharply, peaking at around 3.90% in May. The OAT-Bund spread hovered in a range of 70 to 85 bp. In the first half, the ECB ended its easing cycle and raised its key rates by 25 basis points on June 17, taking the deposit rate to 2.25%, the refinancing rate to 2.40%, and the marginal lending facility rate to 2.65%. This decision was intended to counter inflationary pressures resulting from rising energy prices.

On the international front, the first half of 2026 was marked by ongoing trade tensions under the Trump administration, with a gradual increase in tariffs, and, above all, by the Iranian conflict, which triggered an oil crisis with long-term impacts that are still hard to assess. These factors led to high market volatility, a downward revision of the global growth outlook, and higher inflation in Europe. However, massive investments in AI continued to fuel activity, particularly in the US. Global growth came in at around 3.0% year-on-year in the first half, with the Eurozone showing sluggish growth (+0.8%/+0.9% expected for the year), the United States remaining resilient at around 2.3%, and China at about 4.6%.

The Fed kept its key rates unchanged in a range of 3.50–3.75% during the first half, awaiting clearer visibility on inflation and the effects of trade and geopolitical policies.

Despite these events, equity markets remained at record highs, and credit indices such as the iTraxx Main and iTraxx Crossover remained very tight.

Against this backdrop, CIC CIB Capital Markets ended the half-year with net revenue of €296 million and income before tax of €171 million. Results remained solid and consistent despite the events that unfolded in the second quarter.

The market risk to which the CIC CIB Capital Markets division is exposed is low. The capital allocated to CIC CIB's capital markets activities is €755 million, which represents 1.1% of Crédit Mutuel Alliance Fédérale's overall regulatory capital (€70.8 billion at December 31, 2025). As of June 30, 2026, €628.7 million of this allocation had been used. During the first half, the historical VaR (one-day, 99%) of the trading book averaged €3.6 million for the group. The low level of VaR reflects the decrease in earnings volatility in the historical analysis. The Group Treasury business line also has an overall capital allocation of €140 million for the 2026 fiscal year, as in the previous fiscal year. Lastly, Crédit Mutuel Alliance Fédérale has a total capital allocation of €245 million for all other proprietary trading activities, mainly including UCIs as part of transactions to support the development of certain group subsidiaries.

4.2.3 Risks related to the group's business operations

4.2.3.1 Strategic and business risk

Crédit Mutuel Alliance Fédérale is making progress on its 2024–2027 strategic plan, "Togetherness Performance Solidarity". This includes financial targets related to revenues, expenses and profitability. These internal objectives are based on assumptions, particularly in relation to the economic and commercial context. Thus, the current context of uncertainty and tensions is likely to make the achievement of these objectives more complex, particularly if one or more of the risk factors defined in this section occurs.

Climate and environmental risks, both physical and transition, are likely to impact economic players and negatively affect Crédit Mutuel Alliance Fédérale's activities, results and financial position. These risks are aggravating factors for credit, operational and market risks. An increase in these costs could result significant losses for Crédit Mutuel Alliance Fédérale both in the banking and insurance activities, via customer defaults, increased costs, a degradation in the value of assets and the profitability of the business lines.

As a key player in the financing of the economy, Crédit Mutuel Alliance Fédérale's business is sensitive to the political, macroeconomic and financial environments of the countries in which it operates.

The current environment is characterized by an uncertain economic outlook, multiple geopolitical tensions, a rise in protectionist trends that could affect the group's business, costs, level of risk, tax expense and ultimately profitability.

Credit ratings have an impact on the cost of refinancing and liquidity of Crédit Mutuel Alliance Fédérale entities operating in the markets. A significant degradation in ratings, whether for exogenous or endogenous causes, could have a material adverse effect on Crédit Mutuel Alliance Fédérale's liquidity and competitiveness on the markets, increase the cost of financing, limit access to capital markets or affect the market value of bonds issued.

Similarly, the degradation of non-financial ratings could have an impact on the group's image and reputation, particularly among investors who use these ratings to build their portfolios. A significant degradation in ratings could have an unfavorable impact on investors' interest in the securities issued by Crédit Mutuel Alliance Fédérale entities.

Crédit Mutuel Alliance Fédérale faces strong competition in all its markets, business lines, and products and services. European financial services markets are mature and demand for products and services is correlated with overall economic development. This situation increases the intensity and complexity of the competition the group faces. This competition is driven by many factors, including the quality of the products and services offered, prices, distribution channels, the various and increasing regulatory constraints that apply to products and services, the reputation of the brand, and the group's financial strength as perceived by the market. In addition, the emergence of powerful non-banking competitors is increasing competitive pressure.

New uses, particularly in payments and new technologies, are transforming the industry and changing how customers consume products and services. Although it is still difficult to clearly assess the impact of the emergence of these new technologies, the development of their use is changing uses, processes and the competitive landscape of the group's business lines. That is why the group is committed to staying competitive, maintaining its technological performance and capacity for innovation, preserving its unique identity, and continuing its expansion in Europe, particularly in Germany, in order to preserve its market position and grow its margins and earnings.

Lastly, the regulatory environment in which Crédit Mutuel Alliance Fédérale operates affects its business and strategic decisions. This regulatory environment is described in the dedicated section, paragraph 2.1.2 Regulatory environment of chapter 2.

4.2.3.2 Risks related to the implementation of a resolution system

The regulations give the resolution authority the power to open insolvency proceedings for the Crédit Mutuel group if, after applying the measures referred to in Article L.511-31, the Confédération Nationale du Crédit Mutuel (CNCM), the central body of the group and all its affiliates, is failing, or is likely to fail, with the objective of ensuring critical function continuity, avoiding risks of contagion, recapitalizing or restoring the viability of the Crédit Mutuel group. These powers must be implemented in such a way so that losses, subject to certain exceptions, are borne first by the impairment or conversion of capital instruments, then by holders of Additional Tier 1 and Tier 2 capital instruments, holders of subordinated receivables other than those referred to as Additional Tier 1 or Tier 2 capital instruments in paragraph 5 of Article L.613-30-3 of the French Monetary and Financial Code, then by holders of senior non-preferred bonds and finally by holders of senior preferred bonds in accordance with the priority order of their claims.

The resolution authority has extensive powers to implement the resolution tools for the issuer, or the Crédit Mutuel group, which may include the total or partial transfer of business to a third party or to a bridge institution, the hive-off of the institution's assets, the suspension of the listing or admission to trading of debt instruments, the total or partial impairment of regulatory capital instruments, the dilution of regulatory capital instruments through the issuance of new equity securities, the total or partial impairment or conversion of debt instruments into equity securities, the modification of the terms of debt instruments (including the modification of the maturity and/or the amount of interest payable and/or the temporary suspension of payments), the suspension of the listing and admission to trading of financial instruments, the dismissal of executives or the appointment of a special director.

The issuer is covered by the Crédit Mutuel group's internal financial solidarity mechanism. Repayment, in full, of creditors' loans is subject to the risk of the implementation of said financial solidarity mechanism.

Where the emergency plan or the solidarity measures taken are not sufficient to facilitate the recovery of the central body's affiliates, including the issuer, or if objective evidence suggests in advance that the implementation of such a contingency plan or measures that may be taken by CNCM would prove insufficient to restore compliance with prudential requirements, the resolution of the Crédit Mutuel group will be determined on a collective basis. In fact, the implementation of the solidarity mechanism is accompanied by the merger of Crédit Mutuel group affiliates.

During periods of proven financial difficulty, i.e., when the European Central Bank alerts the Single Resolution Board of the risk of failure (Failing Or Likely To Fail or FOLTF principle), of the Crédit Mutuel group determined on a consolidated basis, where the Single Resolution Board declares the Crédit Mutuel group FOLTF, on a consolidated basis, in accordance with Article 18.1 of Regulation (EU) 806/2014, known as the SRMR (Single Resolution Mechanism Regulation) or, as provided for in the national solidarity mechanism, when the emergency plan or the measures taken by CNCM within the context of this mechanism are not sufficient to facilitate the recovery of a failing group, or if objective evidence suggests in advance that the implementation of any such emergency plan or measures that may be taken by the CNCM would prove insufficient to restore compliance with prudential requirements, CNCM, at the request of the supervisory or resolution authorities, as appropriate, is fully authorized to fulfill the objectives and principles followed by these authorities in relation to solidarity.

During periods of proven financial difficulty or during the resolution phase, there is unlimited solidarity between CNCM affiliates.

The implementation of these means and powers with regard to the issuer, or the Crédit Mutuel group, may give rise to significant structural modifications.

Should CNCM be required to merge all its affiliates, creditors could find themselves competing with creditors of the same ranking, of other CNCM affiliates. After the transfer of a portion of its activities, the creditors (even without any impairment or conversion of their loans) would hold loans in an institution whose remaining businesses or assets may be insufficient to satisfy these claims held by all or some of them.

If CNCM has not merged all its affiliates upon commencement of resolution, the resolution authority may consider other resolution strategies (transfer of business, bridge institution, separation of assets, or coordinated "bail-in" of all CNCM affiliates). Should the resolution authority apply a coordinated "bail-in", the liquidity of CNCM affiliates and all capital instruments and eligible liabilities may be used to help offset losses and recapitalize CNCM affiliates. In this event, value reduction measures or the conversion of eligible liabilities would follow the ranking of creditors in a judicial liquidation. The "bail-in" would be based on capital requirements at consolidated level but would be applied on a pro rata basis by entity, i.e. the same impairment or conversion rate will be applied to all shareholders and creditors of the same class, regardless of the issuing legal entity within the network.

The exercise of the powers described above therefore exposes investors to a risk of loss of capital, which may be partial or total.

4.2.3.3 Operational risks

In accordance with point 52, Article 4 of Regulation (EU) No. 575/2013, operational risk is defined as the risk of loss or gain resulting from inadequate or failed internal processes, people and systems or from external events, and includes legal risk.

The Order of November 3, 2014 states that operational risk includes risks from events with a low probability of occurrence but a high impact, risks of internal and external fraud as defined in Article 324 of Regulation (EU) No. 575/2013 cited above, and model risks.

The Order of November 3, 2014 describes model risk as the risk of the potential loss an institution may incur as a consequence of decisions that could be principally based on the output of internal models, due to errors in the development, implementation or use of such models.

Operational risk, thus defined, excludes strategic and reputational risks (image).

In Article 4(52quater) of Regulation (EU) No 575/2013, IT risk means any reasonably identifiable circumstance in relation to the use of network and information systems which, if materialized, may compromise the security of the network and information systems, of any technology dependent tool or process, of operations and processes, or of the provision of services by producing adverse effects in the digital or physical environment;

The ACPR[1] defines IT risk as the risk of loss arising from an inadequate organization, failure, or insufficient security of the information system, which includes all systems equipment, networks, software, data, and human resources devoted to processing the institution's information.

This definition includes, but is not limited to, cyber security risk.

The decree of November 3, 2014 defines:

- IT risk in Article 10-as): "the risk of loss resulting from an inadequacy or failure affecting the organization, operation, change, or security of the information system. IT risk is an operational risk";
- information system security in Article 10-at): "protection of the confidentiality, integrity, and availability of data and IT assets, in particular to ensure their authenticity, accountability, liability, and reliability";
- operational or security incident in Article 10-ak): "an unforeseen event or series of events that impairs or may impair the proper functioning or security of the information system".

The main risk factors associated with operational risks are:

a. legal risks to which the group is exposed. As of 30 June 2026, they accounted for a total loss of €70.5 million, i.e., 55.1% of total claims;
b. malicious acts, which pose a significant risk to the group, notably fraud involving means of payment. As of June 30, 2026, such malicious acts (fraud, theft, etc.) accounted for a total loss of €33.8 million, or 26.4% of total claims;
c. labor disputes, which, as of June 30, 2026, accounted for a gross loss of €5.6 million, or 4.4% of total claims.

Crédit Mutuel Alliance Fédérale's overall proven loss experience, excluding any insurance recoveries, was €127.9 million and accounted for 1.30% of net revenue in the first half of 2026.

4.2.3.4 Business interruption risk

As part of its operational risk management program, Crédit Mutuel Alliance Fédérale has implemented Emergency and Business Continuity Plans (EBCPs) which provide protection actions and which limit the severity of an emergency. In line with the regulations in force (Order of November 3, 2014, amended by the Order of February 25, 2021), an EBCP can be defined as the description of the actions to be carried out to ensure the continuity of the business processes considered essential and the resources just necessary to be implemented in the event of a disaster resulting in the unavailability or serious disruption of human resources, premises, IT and telecommunications systems, and critical third parties (within the meaning of outsourcing, DORA, and the Single Resolution Board).

The availability issues outlined above may lead to a partial or total suspension shutdown of Crédit Mutuel Alliance Fédérale's activity, resulting in a decline in its earnings depending on the extent of the shutdown. Similarly, the inability of customers to have access to the services offered by Crédit Mutuel Alliance Fédérale would be detrimental to its financial position. Such circumstances would give rise to direct costs, and beyond this, necessarily entail adjustments to the arrangements for continuation of activity, with resulting additional costs.

The first half of 2026 was not marked by any events that led to a business interruption.

4.2.3.5 ESG risks

Climate risks

The risks associated with climate change add to existing risks, such as credit risk, operational risk and financial (market and liquidity) risks. These may also be associated with reputational or liability risks. Thus, climate change exposes Crédit Mutuel Alliance Fédérale to:

- physical risks, which refer to the financial impacts of climate change (including increased frequency of extreme weather events and gradual changes in the climate);
- transition risk, referring to the financial losses that an institution may incur, directly or indirectly, as a result of the process of adapting to a low-carbon and more environmentally sustainable economy. It may arise, for example, from the relatively sudden adoption of climate and environmental policies, technological progress or changes in market behavior and preferences.

a. **Crédit Mutuel Alliance Fédérale's business model could be impacted by physical risks resulting in particular in:**
    - direct physical consequences (damage/destruction of assets, deterioration of working conditions) and indirect consequences (damage/destruction of infrastructure, disruption of production chains, etc.) for the counterparties, generating economic impacts (repair costs, drop in productivity, production, income, etc.) and therefore a loss of added value and/or wealth, a risk of an increase in their probability of default and bankruptcy, increasing credit risk, including for individuals, in particular in connection with to a depreciation of the real estate collateral;

[1] *Source: "IT risk, ACPR Discussion Paper, January 2019".*

- an increase in claims on the group's infrastructures and/or employees, accentuating operational risks;
- reversals in market expectations (sudden revaluations due to high sensitivity of securities, increased volatility, capital losses), accentuating market risk;
- an increase in claims and associated insurance compensation (decrease in profitability for the insurer), an increase in the cost of reinsurance as well as indirect impacts on the company's asset portfolios, increasing the risk related to insurance activities.

b. Crédit Mutuel Alliance Fédérale's business model could be impacted by transition risks resulting in:

- the need to adapt models and products, the change in customer and investor feelings towards companies, the disruption of the production chain, the modification of the production conditions of the offer, generating losses of market share, a decrease in financing capacities, a change in the prices of inputs and production tools, a decrease in production, a change in demand for finished products or services and therefore an increase in costs, a decrease in revenues and added value for companies that could result in an increase in the probability of default and weigh on the risk of corporate default;
- impacts on the real estate sector (increase in the carbon tax leading to an increase in the cost of energy, implementation of new standards concerning low-energy efficient buildings requiring renovation work, etc.) that may lead to an increase in the probability default by creditors and weighing on the risk of default of individuals (depreciation of collateral);
- a liability risk in the event of a serious dispute with the customer financed by the bank or the non-compliance with a commitment, as well as a risk of damage to reputation (also linked to a growing awareness of climate risks, new regulations and voluntary commitments made by the bank);
- the loss of customers if they consider that Crédit Mutuel Alliance Fédérale is not taking sufficient action on environmental/climate policies;
- devaluations of assets that are not low-carbon compatible, which would then make the assets obsolete (stranded assets), changes in borrowing costs and a sudden revaluation of financial assets;
- an increase in liquidity risk related to:
  - the degradation in the quality of customer loan portfolios (this deterioration could in the long term negatively impact profitability and financial strength and, ultimately, affect the ability to refinance under good conditions);
  - investor pressure on investment portfolios;
  - the impairment of corporate or government debt securities held (and not complying with certain climate-related commitments);
  - the withdrawal of customer deposits (in the event of an unfavorable image);
- a loss of income from insurers due to a depreciation of financial securities held;
- risks weighing on solvency (increase in risk-weighted assets) and operating profitability (decrease in the net interest margin).

As part of its new 2024-2027 strategic plan, Togetherness Performance Solidarity, Crédit Mutuel Alliance Fédérale aims to become the benchmark bank for the ecological and societal transition. The deployment of this ambition to our customers and the management of ESG risks are therefore some of the success factors to achieve the commitments and strategic objectives set. The implementation of an adapted system will require the continuation of the changes initiated in the processes, the development of proprietary IT tools and the enhancement of dedicated monitoring indicators based on internal and external quality data.

ESG risk monitoring is improving every year, particularly through the improvement of analytical methodologies and systems, as well as the development of more comprehensive reporting, which benefits from the availability and collection of a greater volume of data. ESG risks are fully integrated into Crédit Mutuel Alliance Fédérale's risk management framework, as described in chapter 6.3 of the Pillar 3 report included in Crédit Mutuel Alliance Fédérale's universal registration document. If the group fails to achieve the defined objectives, its reputation could be adversely affected.

Moreover, Crédit Mutuel Alliance Fédérale's sectoral policies make it possible to define a scope of intervention and to set criteria for conducting business in areas where the social, governance and environmental impacts, including climate risks, are the most significant. Monitoring of exposures eligible for sectoral policies, for all corporate, investment and insurance portfolios, provides an initial measurement of the exposures potentially most affected by climate risks. Crédit Mutuel Alliance Fédérale has several sectoral or thematic policies: coal, mining, hydrocarbons, civil nuclear energy, defense and security, mobility in the air, maritime and road sectors, agricultural and residential real estate (properties located in France), deforestation, and tobacco. Information on Crédit Mutuel Alliance Fédérale's climate strategy is available in Crédit Mutuel Alliance Fédérale's universal registration document in chapter 3 (ESRS E1 - climate change).

Nature-related risks

In addition to climate risks, Crédit Mutuel Alliance Fédérale examines other environmental risks, including nature-related risks. Crédit Mutuel Alliance Fédérale focuses on risks related to biodiversity and ecosystems, water and marine resources, and pollution. All of these risks, which could affect the group's financial performance, are divided into two categories as described in section 6.18.1, "Definition of ESG Risks," in Crédit Mutuel Alliance Fédérale's universal registration document.

a. Crédit Mutuel Alliance Fédérale's business model could be affected by nature-related physical risks.

Firstly, the deterioration of regulatory ecosystem services could exacerbate climate-related physical risks. Secondly, procurement services could have a direct impact on Crédit Mutuel Alliance Fédérale's counterparties. For example, the loss of ecosystem services could lead to an increase in banking risks, such as:

- an increase in the probability of default due to declining corporate profitability (e.g., disruptions in the supply chain, production, or distribution leading to inflation), or impacts on household income and health (primarily through water or air regulation services);
- an increase in property damage resulting from the degradation of climate regulation or water cycle services, which could impact operational risks and the profitability of the insurance business;
- volatility in financial markets, particularly due to the unavailability of resources and commodities, which could increase market risk.

b. Regarding transition risk, Crédit Mutuel Alliance Fédérale's business model could be impacted by:

- a business segment becoming less profitable following the implementation of environmental transition measures (regulation, consumer choices, adaptation costs, etc.), impacting the probability of default or the value of assets;
- the growing consideration of environmental issues, increasing reputational and liability risk through the financing provided, which could lead to legal proceedings or loss of market share;
- shifting investor preferences and/or requirements toward greener players and assets, which could increase liquidity risk.

These risk factors vary in magnitude, depending both on geographic and sectoral diversity and on the interplay between environmental risk factors.

Social and governance risks

Crédit Mutuel Alliance Fédérale also analyzes how social and governance risks can affect its financial performance. For this reason, since 2024 Crédit Mutuel Alliance Fédérale has included an inventory of risks related to social and governance issues. This risk mapping is updated every year, particularly in connection with work related to the CSRD. In addition, Crédit Mutuel Alliance Fédérale assesses the materiality of social and governance risks (both direct and indirect) on its risk profile.

a. Crédit Mutuel Alliance Fédérale's business model could be impacted by social risks, for example through:

- a decline in economic performance linked to its social practices: a company with poor social practices may face financial difficulties due to poor management of its workforce (high turnover, recruitment challenges, brain drain, strikes, management issues, etc.), compliance costs (labor law, new regulations, etc.), or penalties resulting from legal action related to social practices. Such practices may affect the company's financial performance, its ability to generate revenue, and thus to repay its debt, thereby increasing credit risk. This may be particularly true in certain countries with lax labor standards or in certain sectors more exposed to these risks due to their activities;
- failure to comply with social regulations can affect companies' financial performance: penalties, fines, legal proceedings, etc. Failure to meet social obligations (such as failure to pay social security contributions, failure to comply with workplace safety standards, etc.) may result in significant fines and financial penalties. The bank could face legal action, for example for discrimination, workplace harassment, or violations of working conditions. The legal costs associated with such proceedings can be significant, in addition to the costs related to any compensation owed to employees.

b. Regarding governance risks, Crédit Mutuel Alliance Fédérale's Business Model could be impacted in particular by:

- poor bank governance, which might make it difficult to achieve compliance with new regulations and standards. Failure to comply with regulatory frameworks (e.g., Sapin 2, AML/CFT, European Banking Authority guidelines on internal governance, professional conduct and ethics, and tax transparency) may therefore result in financial penalties and compensation costs (non-compliance risks and legal risk);
- a company with a poor corporate governance rating could see its credit rating downgraded (by rating agencies) and also lose customers who turn to more sustainable alternatives, which would lead to financial losses, resulting in a deterioration of its customer rating (internal rating) and increased probability of default.

4.3 Legal or arbitration proceedings

BFCM conducts regular reviews of disputes presenting a significant risk, both at the social and consolidated level, in a certain number of jurisdictions. These disputes are of a legal nature, tax disputes and investigations by the supervisory authorities arising from the normal course of the issuer's activities and in particular its activities as a lender, taxpayer and entity supervised by authorities.

As regards legal disputes, they are mainly of a commercial or contractual nature.

In contractual matters, individual credit clauses are being disputed. Legal proceedings are underway on certain home loan contracts for individuals who consider certain provisions of the loan agreement to be unbalanced. This type of litigation is generally resolved by damages and in certain cases by the nullity of the contract.

In commercial matters, these are disputes with commercial companies, and particularly disputes relating to the financial management of companies (loans, guarantees or financial contributions) when the company is in a difficult financial situation.

The group does not fail to assert its rights before the competent courts.

The financial consequences, assessed in light of the facts and information available at June 30, 2026, of disputes that are likely to have or have recently had a significant impact on the financial position of BFCM and its consolidated subsidiaries taken together, their profitability or activity have been included in BFCM's consolidated financial statements through the provisions presented in note 20a of chapter 7 of this document.

No detailed information is provided on the potential constitution of individual provisions or the amount of such provisions to the extent that such disclosure would be detrimental to the resolution of the disputes in question.

Like many other financial institutions in the banking, investment, mutual funds or brokerage sectors, the group has received or is likely to receive requests for information or be the subject of investigations. supervisory authorities, governmental or self-regulatory agencies. The group responds to these requests, cooperates with the relevant authorities and regulators and endeavors to address and remedy the points raised.

There are no other legal, administrative or arbitration proceedings that are likely to have, or have had, during the last twelve months, a significant effect on the financial position or profitability of BFCM, nevertheless the outcome of legal or administrative proceedings is inherently uncertain.

5

Consolidated financial statements of Crédit Mutuel Alliance Fédérale

5.1 CONSOLIDATED FINANCIAL STATEMENTS OF CRÉDIT MUTUEL ALLIANCE FÉDÉRALE

5.1.1 Balance sheet

Balance sheet (assets)

(in € millions)	Notes	06/30/2026	12/31/2025
Cash and central banks	4	75,041	74,103
Financial assets at fair value through profit or loss	5a	48,214	37,488
Hedging derivatives	6a	828	670
Financial assets at fair value through equity	7	57,886	46,808
Securities at amortized cost	10a	6,360	6,153
Loans and receivables due from credit institutions and similar at amortized cost	10b	73,736	73,066
Loans and receivables due from customers at amortized cost	10c	570,746	539,232
Revaluation adjustment on rate-hedged books	6b	-1,582	-1,607
Financial investments of insurance activities	13a, 13b	151,764	144,497
Insurance contracts issued - Assets	13	1	5
Reinsurance contracts held - Assets	13	259	245
Current tax assets	14a	1,761	2,013
Deferred tax assets	14b	1,242	1,135
Accruals and miscellaneous assets	15a	9,995	10,414
Non-current assets held for sale		0	0
Investments in equity consolidated companies	16	858	854
Investment property	17	337	338
Property, plant and equipment	18a	4,664	4,508
Intangible assets	18b	1,259	667
Goodwill	19	2,296	2,294
TOTAL ASSETS		**1,005,666**	**942,886**

Balance sheet (liabilities)

(in € millions)	Notes	06/30/2026	12/31/2025
Central banks	4	9	12
Financial liabilities at fair value through profit or loss	5b	33,548	21,686
Hedging derivatives	6a	1,311	1,090
Debt securities at amortized cost	11a	175,682	162,695
Due to credit and similar institutions at amortized cost	11b	39,760	30,406
Due to customers at amortized cost	11c	507,404	486,795
Revaluation adjustment on rate-hedged books	6b	-24	-17
Current tax liabilities	14a	835	570
Deferred tax liabilities	14b	732	648
Accruals and miscellaneous liabilities	15b	15,762	17,688
Debt related to non-current assets held for sale		0	0
Insurance contracts issued - liabilities	13c, 13d	141,804	134,020
Reinsurance contracts held - liabilities		0	0
Provisions	20	3,942	4,108
Subordinated debt at amortized cost	21	12,280	12,857
Total equity	22	**72,621**	**70,328**
Equity – Attributable to the group	22	**70,381**	**68,139**
Capital and related reserves	22a	8,128	8,008
Consolidated reserves	22a	59,454	55,594
Gains and losses recognized directly in equity	22b, 22c, 22d	802	494
Profit (loss) for the period		1,998	4,042
Equity – Non-controlling interests		**2,240**	**2,189**
TOTAL LIABILITIES		**1,005,666**	**942,886**

5.1.2 Income statement

Income statement

(in € millions)	Notes	06/30/2026	06/30/2025
Interest and similar income	24	16,580	16,353
Interest and similar expenses	24	-11,290	-11,985
Commissions (income)	25	3,410	3,264
Commissions (expenses)	25	-831	-853
Net gains on financial instruments at fair value through profit or loss	26	288	867
Net gains or losses on financial assets at fair value through shareholders' equity	27	35	16
Net gains or losses resulting from derecognition of financial assets at amortized cost	28	0	2
Income from insurance contracts issued	29, 29a	4,042	3,831
Expenses related to insurance contracts issued	29, 29a	-3,166	-2,950
Income and expenses related to reinsurance contracts held	29	-79	-67
Financial income or financial expenses from insurance contracts issued	29	-4,834	-2,992
Financial income or expenses related to reinsurance contracts held	29	3	3
Net income from financial investments related to insurance activities	29b	4,959	3,104
Income from other activities	30	1,039	1,073
Expenses on other activities	30	-355	-898
Net revenue		**9,801**	**8,768**
of which Net income from insurance activities		*926*	*929*
General operating expenses	31, 31a, 31b, 31d	-5,083	-4,651
Movements in depreciation, amortization and provisions for property, plant and equipment and intangible assets	31, 31c	-521	-375
Gross operating income		**4,198**	**3,742**
Cost of counterparty risk	32	-1,212	-902
Operating income		**2,986**	**2,840**
Share of net income of equity consolidated companies	16	18	15
Net gains and losses on other assets	33	6	7
Changes in the value of goodwill	34	5	1
Income before tax		**3,015**	**2,863**
Income taxes	35	-930	-1,037
Net income		**2,085**	**1,826**
Net income – Non-controlling interests		87	90
NET INCOME ATTRIBUTABLE TO THE GROUP		**1,998**	**1,736**

Statement of net income and gains and losses recognized in shareholders' equity

(in € millions)	06/30/2026	06/30/2025
Net income	**2,085**	**1,826**
Recyclable shareholder's equity in Net income:		
Translation adjustments	69	-198
Revaluation of financial assets at fair value through equity – capital instruments	1	121
Reclassification of financial assets from fair value through equity to fair value through profit or loss	0	0
Revaluation of equity instruments recognized at fair value through equity of insurance activities	140	27
Revaluation of insurance contracts in recyclable shareholders' equity	-172	51
Revaluation of reinsurance contracts in recyclable shareholders' equity	-1	2
Revaluation of hedging derivatives for recyclable assets	9	0
Share of unrealized or deferred gains and losses of associates	0	-2
Total recyclable gains and losses recognized directly in equity	**45**	**1**
Non-recyclable shareholder's equity in Net income:		
Revaluation of financial assets at fair value through equity – equity instruments at closing	-19	30
Revaluation of financial assets at fair value through equity – equity instruments sold during the year	0	0
Revaluation of equity instruments recognized at fair value through equity of insurance activities	90	-20
Impact of revaluation of VFA insurance contracts - non-recyclable	5	-6
Revaluation differences related to own credit risk on financial liabilities under FVO	0	0
Revaluation of non-current assets	0	0
Actuarial gains and losses on defined benefit plans	198	-33
Share of non-recyclable gains and losses of equity consolidated companies	0	0
Total non-recyclable gains and losses recognized directly in equity	**274**	**-29**
Net income and gains and losses recognized directly in equity	**2,404**	**1,798**
o/w attributable to the group	**2,305**	**1,703**
o/w percentage of non-controlling interests	**98**	**95**

The items relating to gains and losses recognized directly in equity are presented net of tax.

5.1.3 Changes in shareholders' equity

	Shareholders' equity, attributable to the group										
				Gains and losses recognized directly in equity							
(in € millions)	Capital	Premiums	Reserves[1]	Translation adjustments	Assets at fair value through equity	Derivative hedging instruments	Actuarial gains and losses	Group net income	Shareholders' equity attributable to the group	Non-controlling interests	Total consolidated shareholders' equity
Balance at December 31, 2024	**7,968**	**0**	**51,884**	**206**	**148**	**-11**	**-149**	**3,943**	**63,988**	**2,059**	**66,047**
Appropriation of earnings from previous year	-	-	3,943	-	-	-	-	-3,943	-	-	-
Capital increase	108	-	-	-	-	-	-	-	108	-	108
Distribution of dividends	-	-	-240	-	-	-	-	-	-240	-44	-284
Acquisition of additional shareholdings or partial disposals	-	-	-	-	-	-	-	-	-	-	-
Subtotal of movements related to relations with shareholders	**108**	**0**	**3,703**	**0**	**0**	**0**	**0**	**-3,943**	**-132**	**-44**	**-176**
Consolidated income for the period	-	-	-	-	-	-	-	1,736	1,736	90	1,826
Changes in gains and (losses) recognized directly in equity	-	-	-	-196	195	-	-32	-	-33	5	-28
Subtotal	**0**	**0**	**0**	**-196**	**195**	**0**	**-32**	**1,736**	**1,703**	**95**	**1,798**
Impact of acquisitions and disposals on non-controlling interests (2)	-	-	33	-	-	-	-	-	33	-30	4
Other changes	-	-	1	-	-	-	-	-	1	-4	-3
Balance at June 30,2025	**8,076**	**0**	**55,621**	**9**	**343**	**-11**	**-182**	**1,736**	**65,593**	**2,077**	**67,670**
Appropriation of earnings from previous year	-	-	-	-	-	-	-	-	-	-	-
Capital increase	-68	-	-	-	-	-	-	-	-68	-	-68
Distribution of dividends	-	-	-	-	-	-	-	-	-	-2	-2
Acquisition of additional shareholdings or partial disposals	-	-	-	-	-	-	-	-	-	-	-
Subtotal of movements related to relations with shareholders	**-68**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-68**	**-2**	**-70**
Consolidated income for the period	-	-	-	-	-	-	-	2,306	2,306	85	2,392
Changes in gains and (losses) recognized directly in equity	-	-	-	-4	267	11	60	-	334	29	363
Subtotal	**0**	**0**	**0**	**-4**	**267**	**11**	**60**	**2,306**	**2,640**	**114**	**2,754**
Impact of acquisitions and disposals on non-controlling interests[2]	-	-	-	-	-	-	-	-	-	3	3
Other changes	-	-	-26	-	-	-	-	-	-26	-2	-28
Balance at December 31, 2025	**8,008**	**0**	**55,594**	**5**	**610**	**0**	**-121**	**4,042**	**68,139**	**2,189**	**70,328**

	Shareholders' equity, attributable to the group										
				Gains and losses recognized directly in equity							
(in € millions)	Capital	Premiums	Reserves(1)	Translation adjustments	Assets at fair value through equity	Derivative hedging instruments	Actuarial gains and losses	Group net income	Shareholders' equity attributable to the group	Non-controlling interests	Total consolidated shareholders ' equity
Appropriation of earnings from previous year	-	-	4,042	-	-	-	-	-4,042	-	-	-
Capital increase	120	-	-	-	-	-	-	-	120	-	120
Distribution of dividends	-	-	-240	-	-	-	-	-	-240	-47	-287
Acquisitions of additional shareholdings or partial disposals	-	-	-	-	-	-	-	-	-	-	-
Subtotal of movements related to relations with shareholders	**120**	**0**	**3,802**	**0**	**0**	**0**	**0**	**-4,042**	**-120**	**-47**	**-167**
Consolidated income for the period	-	-	-	-	-	-	-	1,998	1,998	87	2,085
Changes in gains and (losses) recognized directly in equity	-	-	30	68	36	8	195	-	337	11	349
Subtotal	**0**	**0**	**30**	**68**	**36**	**8**	**195**	**1,998**	**2,335**	**99**	**2,434**
Impact of acquisitions and disposals on non-controlling interests	-	-	2	-	-	-	-	-	2	-2	-
Other changes (3)	-	-	26	-	-	-	-	-	26	1	27
BALANCE AT JUNE 30, 2026	**8,128**	**0**	**59,454**	**73**	**646**	**9**	**74**	**1,998**	**70,381**	**2,240**	**72,621**

(1) Total reserves at June 30, 2026 amounted to €59,454 million and comprise the legal reserve for €559 million, statutory reserves for € 11,116 million, and other reserves for €47,779 million.

(2) Concerns capital increases outside the group carried out in 2025.

(3) Of which €8 million for ACM in connection with the amendments to IFRS 9 and IFRS 7 applicable from January 1, 2026.

5.1.4 Net cash flow statement

(in € millions)	06/30/2026	06/30/2025
Net income	2,085	1,826
Taxes	930	1,037
Income before tax	**3,015**	**2,863**
+/- Net depreciation and amortization of property, plant and equipment and intangible assets	455	378
- Impairment of goodwill and other fixed assets	49	2
+/- Net provisions and impairments	388	557
+/- Share of income from companies consolidated using the equity method	-18	-15
+/- Net loss/gain from investing activities	-42	-23
+/- (Income)/expenses from financing activities	0	0
+/- Other movements	6,780	7,039
= Total non-monetary items included in net income before tax and other adjustments	**7,612**	**7,938**
+/- Flows related to transactions with credit institutions	614	517
+/- Flows related to client transactions	-7,524	-8,166
+/- Flows related to other transactions affecting financial assets or liabilities	-757	-9,212
+/- Flows related to other transactions affecting non-financial assets or liabilities	-2,023	-3,386
+Dividends received from equity consolidated companies	24	29
- Taxes paid	-316	-643
= Net decrease/(increase) in assets and liabilities from operating activities	**-9,982**	**-20,861**
TOTAL NET CASH FLOW GENERATED BY OPERATING ACTIVITIES (A)	**645**	**-10,060**
+/- Flows related to financial assets and investments	-148	-55
+/- Flows related to investment property	20	-8
+/- Flows related to property, plant and equipment and intangible assets	-459	-221
TOTAL NET CASH FLOW RELATED TO INVESTING ACTIVITIES (B)	**-587**	**-284**
+/- Cash flow to or from shareholders	-168	-178
+/- Other net cash flows from financing activities	-119	-2,198
TOTAL NET CASH FLOW RELATED TO FINANCING TRANSACTIONS (C)	**-287**	**-2,376**
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS (D)	**120**	**-154**
Net increase/(decrease) in cash and cash equivalents (A + B + C + D)	**-109**	**-12,874**
Net cash flow generated from operating activities (A)	645	-10,060
Net cash flow generated to investing activities (B)	-587	-284
Net cash flow related to financing transactions (C)	-287	-2,376
Effect of foreign exchange rate changes on cash and cash equivalents (D)	120	-154
Cash and cash equivalents at opening	**73,550**	**85,452**
Cash, central banks (assets and liabilities)	74,088	86,588
Accounts (assets and liabilities) and demand loans/borrowings from credit institutions	-538	-1,136
Cash and cash equivalents at closing	**73,441**	**72,578**
Cash, central banks (assets and liabilities)	75,029	75,315
Accounts (assets and liabilities) and demand loans/borrowings from credit institutions	-1,588	-2,737
CHANGE IN NET CASH POSITION	**-109**	**-12,874**

5.2 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF CRÉDIT MUTUEL ALLIANCE FÉDÉRALE

The consolidated financial statements as of June 30, 2026, are condensed consolidated financial statements prepared in accordance with IFRS as adopted by the European Union, pursuant to Regulation (EC) No. 1606/2002 on the application of international accounting standards and Regulation (EC) No. 1126/2008 on their adoption.

SUMMARY OF NOTES

Figures in the notes are presented in millions of euros.

Note 1 Accounting policies and principles

Pursuant to Regulation (EC) 1606/2002 on the application of international accounting standards and Regulation (EC) 1126/2008 on their adoption of said standards, the condensed consolidated financial statements have been prepared in accordance with IFRS as adopted by the European Union at June 30, 2026.

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting.

The financial statements are presented in the format recommended by the *Autorité des normes comptables* (ANC – French Accounting Standards Authority) recommendation No. 2022-01 on IFRS Summary Financial Statements[1]. They comply with international accounting standards as adopted by the European Union.

The notes included in the appendix to the consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements for the fiscal year ended December 31, 2025, as presented in the 2025 Universal Registration Document.

Information on risk management is included in the group's management report.

Amendments applicable from January 1, 2026

Amendments to IFRS 9 and IFRS 7 relating to the classification and measurement of financial instruments

The European Union has adopted amendments to IFRS 9 – Financial Instruments and IFRS 7 – Financial Instruments: Disclosures relating to the classification and measurement of financial instruments. They are applicable, retrospectively, to fiscal years beginning on or after January 1, 2026.

These amendments clarify the assessment of the "basic" nature of the contractual cash flows of a financial asset, in particular where there are conditional clauses whose achievement depends on environmental, social or governance (ESG) objectives.

The group has developed a range of products designed to address sustainability matters, including loans and securities whose financial terms vary depending on whether the creditor meets social, environmental, or governance objectives. These contingent clauses may trigger [a decrease or an increase] in the instrument's rate of return within a range of approximately -10 bps and +10 bps, thereby altering the cash flows associated with the instrument.
As of June 30, 2026, all of these instruments meet the criteria for a basic loan and are carried at amortized cost.

These amendments also require additional disclosure of equity instruments designated as measured at fair value through other comprehensive income and assets and liabilities with conditional clauses.

The quantitative details related to these amendments will be presented in the complete financial statements as of December 31, 2026.

Finally, these amendments clarify the procedures for derecognizing financial assets and liabilities and introduce an accounting option for the derecognition of financial liabilities settled through electronic payment systems.

Amendments to IFRS 9 and IFRS 7 clarifying how an entity would account for contracts for the purchase and delivery of electricity dependent on natural sources

The European Union has adopted amendments to IFRS 9 – Financial Instruments and IFRS 7 – Financial Instruments: Disclosures clarifying how an entity would account for electricity purchase and delivery contracts dependent on natural sources. They are applicable, retrospectively, to fiscal years beginning on or after January 1, 2026.

The amendments aim in particular to specify the conditions for the application of the "own-use" exemption, which allows, subject to conditions, the exclusion from the scope of IFRS 9 of certain contracts for the supply of electricity from natural sources.

The Group does not have any significant contracts for the delivery of electricity from natural sources.

Highlights

As part of its expansion in Germany, the group completed the acquisition of 100% of the voting rights in Oldenburgische Landesbank AG (OLB) on January 2, 2026, after obtaining all necessary approvals.

With TARGOBANK, ACM Deutschland, and OLB, Crédit Mutuel Alliance Fédérale now offers a full range of universal banking and insurance services in Germany.

The purchase price allocation process results in badwill of €5 million.

The impacts of this consolidation on the consolidated balance sheet are as follows:

[1] *It should be noted that the group has chosen to group the financial instruments carried by its insurance divisions, in a different way from that proposed by the Recommendation. See § 2.2 "Insurance activities".*

Balance sheet of OLB entities (in € millions)	**On the acquisition date**
Cash and central banks	250
Financial assets at fair value through profit or loss	77
Derivative hedging instruments	19
Financial assets at fair value through shareholders’ equity	6,454
Loans and receivables due from credit institutions and similar at amortized cost	686
Loans and receivables due from customers at amortized cost	25,067
Current tax assets	35
Deferred tax assets	79
Accruals and miscellaneous assets	417
Property, plant and equipment	78
Intangible assets	728
TOTAL ASSETS	**33,890**

Balance sheet of OLB entities (in € millions)	**On the acquisition date**
Financial liabilities at fair value through profit or loss	88
Derivative hedging instruments	16
Debt securities at amortized cost	3,078
Due to credit and similar institutions at amortized cost	5,350
Due to customers at amortized cost	22,251
Current tax liabilities	3
Accruals and miscellaneous liabilities	110
Provisions	126
Subordinated debt at amortized cost	561
Total shareholders’ equity	**2,308**
TOTAL LIABILITIES	**33,890**

Macroeconomic and geopolitical context

The context of macroeconomic and geopolitical uncertainty persists, with the ongoing crisis in Ukraine and conflicts in the Middle East. As a reminder, since the Crédit Mutuel Alliance Fédérale Group does not operate in these conflict-torn regions, its direct exposure to these countries is insignificant. However, it remains vigilant regarding the indirect consequences of these crises, particularly inflation and rising oil prices.

The group also monitors developments in terms of customs duties, driven by the US government, and the potential economic consequences for its customers.

In light of this situation, the group continuously monitors the quality of its credit commitments, the valuation of its portfolios, interest rate risk management, and its liquidity. The group has a robust governance and risk management framework. Furthermore, the group’s financial strength will enable it to weather this situation thanks to its level of shareholders' equity, regulatory capital, and the resulting ratios.

Credit risk

As part of the provisioning of performing loans (in stage 1 & 2), Crédit Mutuel Alliance Fédérale takes into account the impacts of successive crises, as well as the macroeconomic outlook.

The level of provisioning is the result of a case-by-case analysis, carried out in order to monitor any potential increase in the credit risk of professional customers or companies in difficulty, and individual customers, who would be affected, directly or indirectly, in an economic context that remains severely deteriorated.

Macroeconomic scenarios

As at June 30, 2026, the Group has selected three macroeconomic scenarios, which make it possible to take account of the uncertainties associated with the current macroeconomic context:

- the central scenario incorporates the current conflict in the Middle East and its impacts on the global economy. This conflict would cause the inflation rate to rise to 2.2% by the end of 2026 due to a surge in energy prices, then fall to 1.4% in 2027 due to the base effect, before approaching the target rate in 2028–2029 (1.9%). GDP growth is projected to be weak at 0.8% in 2027 and 2028, then return to its potential rate of 1%. Regarding the ECB’s key interest rates, this scenario calls for rate hikes in 2026 to curb inflation. Once inflation is under control, the ECB would cut rates again by 25 basis points in March 2027, bringing the deposit facility rate back to its equilibrium level of 2.25%. Short-term rates would follow the trajectory of ECB rates. For long-term rates, upward pressure is expected to persist over the forecast horizon given the state of public finances. The Livret A passbook account rate could rise through February 1, 2027 to 2%, before fluctuating in line with the inflation rate;

- the pessimistic scenario envisions a sustained escalation of the conflict in the Middle East, marked by a US ground intervention in Iran, the destruction of major energy infrastructure, and the blockade of the Strait of Hormuz. This situation triggers a significant supply shock in the energy and commodities markets, leading to a sharp and prolonged rise in oil prices as well as lasting disruptions to global supply chains. The resulting inflationary shock spreads to all economies, particularly in Europe. To contain inflation expectations, the ECB raises its key interest rates before initiating monetary easing starting in 2027 amid a global recession. The combination of high inflation, high interest rates, and a decline in economic activity leads to a sharp deterioration in growth prospects as well as a worsening of France's public finances. Starting in 2028, this scenario also incorporates climate transition and physical risks inspired by the NGFS (Network of Central Banks and Supervisors for Greening the Financial System) short-term scenarios. On the one hand, a sudden acceleration of the climate transition triggers inflationary pressures and a rapid appreciation of asset values. On the other hand, a succession of extreme weather events would affect growth, productivity, and employment, while exacerbating economic and financial instability;

- the optimistic scenario is based on the rapid and coordinated implementation of European budgetary plans designed to support decarbonization, productive investment, and the strengthening of the European Union's strategic autonomy. Financed primarily through the issuance of common European debt and a temporary relaxation of the fiscal framework, this investment effort boosts productivity, competitiveness, and growth, further supported by efficiency gains driven by artificial intelligence. On the geopolitical front, the end of conflicts in the Middle East and Ukraine, accompanied by the gradual lifting of related sanctions, helps reduce economic uncertainty and normalize energy prices. In this context, inflation expectations ease, and central banks can gradually return to a neutral or slightly accommodative monetary stance. The scenario also incorporates a reduction in international trade tensions, with greater visibility for European companies and a strengthening of transatlantic economic relations. Finally, the climate transition is proceeding in an orderly manner, in line with the NGFS "Highway to Paris" scenario[1], thanks to the growth of green investments and a gradual reallocation of funding toward sectors contributing to the energy transition.

[1] *https://www.ngfs.net/system/files/2025-07/NGFS%20Short-term%20climate%20Scenarios_Technical%20Documentation.pdf*

MACROECONOMIC VARIABLES AND PROJECTIONS USED IN THE CENTRAL SCENARIO

The main variables used to determine expected credit losses in the central scenario are detailed below:

Macroeconomic assumptions France	2026 Average	2027 Average	2028 Average	2029 Average
Inflation rate excluding tobacco	2.20%	1.40%	1.90%	1.90%
Oil price (in $)	82	65	65	65
GDP growth rate	0.80%	0.80%	1.00%	1.00%
Unemployment rate (end of period)	8.10%	8.00%	7.80%	7.70%
MARKET RATE				
Eurozone				
EURIBOR 3 months	2.38%	2.39%	2.35%	2.35%
France				
TEC 10 years	3.74%	3.94%	4.05%	4.15%

Weighting of macroeconomic scenarios

The determination of the weightings reflects the Crédit Mutuel Group economists' outlook on the economic cycle. The probabilities of the scenarios occurring have been revised slightly in favor of the pessimistic scenario, given the escalation of international conflicts.

	Central scenario	Pessimistic scenario	Optimistic scenario
At 06/30/2025	70%	25%	5%
At 12/31/2025	70%	25%	5%
At 06/30/2026	65%	30%	5%

Since 2023, the Group has been involved in a cycle of improvements to take into account the forward-looking aspect in the calculations of expected credit losses. Expected credit losses as of June 30, 2026 amounted to €3,589 million, varying by €115 million compared to December 31, 2025.

At June 30, 2026, the group recognized specific post-model adjustments:

- the first reinforces the model's forward-looking dimension, given the strong macroeconomic uncertainties arising from the current economic climate;
- the second is a sectoral adjustment. It helps ensure adequate provisioning notably for sectors most exposed to climate risks (such as agriculture, land, air, and maritime transportation, energy production, metallurgy, coking, and refining). This adjustment focuses on exposures for which credit risk has increased since origination (stage 2) and consists of applying a stress to the probabilities of default for these counterparties.

As of June 30, 2026, these two post-model adjustments amounted to €111 million and €209 million respectively (compared to €111 million and €204 million as of December 31, 2025).

The adjustments recognized at June 30, 2026, represent 8.9% of the total amount of expected credit losses, *i.e.* on stage 1 and 2 outstandings (compared to 9.1% at December 31, 2025).

Sensitivity analysis

The group assesses the sensitivity of the amount of expected credit losses on stage 1 and 2 outstandings (including post-model adjustment) to economic conditions.

These analyses show that a 100% weighting of the:

- pessimistic scenario would imply an additional provision for expected credit losses of 13.0%, *i.e.* €452 million;
- optimistic scenario would lead, on the contrary, to a decrease in expected credit losses of 14.0%, *i.e.* €487 million;
- central scenario would lead to a reduction in expected credit losses of 5.0%, *i.e.* €174 million.

Risk management information

They are in chapter 5 of the 2025 Universal Registration Document.

1 Consolidation methods and scope

1.1 Consolidating entity

At June 30, 2026, Crédit Mutuel Alliance Fédérale comprised 14 Crédit Mutuel federations: Centre Est Europe, Sud-Est, Île-de-France, Savoie-Mont Blanc, Midi Atlantique, Loire-Atlantique Centre-Ouest, Centre, Normandie, Dauphiné-Vivarais, Méditerranée, Anjou, Antilles-Guyane, Massif Central and Nord Europe.

Crédit Mutuel Alliance Fédérale is a mutualist group affiliated with a central body, as defined in Articles L.511-30 *et seq.* of the French Monetary and Financial Code. The Crédit Mutuel local banks, which are wholly owned by their members, form the foundation of the group, operating under an "inverted pyramid" capital control structure.

In order to show the community of interest of our members in consolidation as accurately as possible, the "consolidating" entity is defined in such a way as to reflect the common bonds of operation, financial solidarity and governance.

To this end, the "consolidating entity" at the head of the group is made up of the companies placed under the same collective accreditation to carry out banking activity, issued by the *Autorité de contrôle prudentiel et de résolution* (ACPR – French Prudential Supervisory and Resolution Authority).

As such, the "consolidating" entity is made up of the following federations:

- Fédération du Crédit Mutuel Centre Est Europe (FCMCEE), Fédération du Crédit Mutuel du Sud-Est (FCMSE), Fédération du Crédit Mutuel Île-de-France (FCMIDF), Fédération du Crédit Mutuel Savoie-Mont Blanc (FCMSMB), Fédération du Crédit Mutuel Midi Atlantique (FCMMA), Fédération du Crédit Mutuel Loire Atlantique Centre Ouest (FCMLACO), Fédération du Crédit Mutuel du Centre (FCMC), Fédération du Crédit Mutuel de Normandie (FCMN), Fédération du Crédit Mutuel Dauphiné-Vivarais (FCMDV), Fédération du Crédit Mutuel Méditerranée (FCMM), Fédération du Crédit Mutuel d'Anjou (FCMA), Fédération du Crédit Mutuel Antilles-Guyane (FCMAG), Fédération du Crédit Mutuel Massif Central (FCMMC) and Fédération du Crédit Mutuel Nord Europe (FCMNE). As the groups' governing bodies, they set their overall direction, determine their strategy, and organize the representation of the local banks;
- Caisse Fédérale de Crédit Mutuel (CF de CM), Caisse Régionale du Crédit Mutuel du Sud-Est (CRCMSE), Caisse Régionale du Crédit Mutuel Île-de-France (CRCMIDF), Caisse Régionale du Crédit Mutuel Savoie-Mont Blanc (CRCMSMB), Caisse Régionale du Crédit Mutuel Midi Atlantique (CRCMMA), Caisse Régionale du Crédit Mutuel Loire Atlantique Centre Ouest (CRCMLACO), Caisse Régionale du Crédit Mutuel du Centre (CRCMC), Caisse Régionale du Crédit Mutuel de Normandie (CRCMN), Caisse Régionale du Crédit Mutuel Dauphiné-Vivarais (CRCMDV), Caisse Régionale du Crédit Mutuel Méditerranée (CRCMM), Caisse Régionale du Crédit Mutuel d'Anjou (CRCMA), Caisse Régionale du Crédit Mutuel Antilles-Guyane (CRCMAG), Caisse Régionale du Crédit Mutuel Massif Central (CRCMMC) and Caisse Régionale du Crédit Mutuel Nord Europe (CRCMNE). Serving the local banks, the CF de CM is responsible for the network's shared services, coordinates its operations, and manages the group's logistics. It centralizes the local banks' deposits, ensures their refinancing, and manages all regulatory requirements on their behalf (mandatory reserves, earmarked funds, deposits with the Caisse Centrale du Crédit Mutuel, etc.);
- Crédit Mutuel local banks that are members of FCMCEE, FCMSE, FCMIDF, FCMSMB, FCMMA, FCMLACO, FCMC, FCMN, FCMDV, FCMM, FCMA, FCMAG, FCMMC and FCMNE: these form the basis of the group's banking network.

1.2 Consolidation scope

The general principles for determining whether an entity is included in the scope of consolidation are defined by IFRS 10, IFRS 11 and IAS 28.

Entities that are controlled or over which significant influence is exercised but that are not material to the consolidated financial statements are excluded from the scope of consolidation. This is presumed to be the case when a company's total assets or net income have an impact of no more than 1% on the consolidated or sub-consolidated equivalent (in the case of step consolidation). This quantitative criterion is only relative; an entity may be included in the scope of consolidation notwithstanding this threshold when its business or expected growth qualifies it as a strategic investment.

The scope of consolidation comprises:

Controlled entities: control exists when the group has power over the entity, is exposed to or is entitled to variable returns from its involvement with the entity and has the ability to use its power over the entity to affect the returns it obtains. The financial statements of controlled entities are fully consolidated.

Entities under joint control: joint control is the contractually-agreed sharing of control over an entity, which exists only in the case where decisions concerning key activities require the unanimous consent of the parties sharing control. Two or more parties that exercise joint control constitute a partnership, which is either a jointly controlled operation or a joint venture:

- a jointly controlled operation is a partnership in which the parties exercising joint control have rights over the assets and obligations pursuant to liabilities related to the entity: this involves recognizing the assets, liabilities, income and expenses relative to interests held in the entity;
- a joint venture is a partnership in which the parties who exercise joint control have rights over the net assets of the entity: the joint venture is accounted for according to the equity method.

All entities under joint control of the group are joint ventures according to the meaning of IFRS 11.

Entities over which the group has significant influence: these are entities that are not controlled by the "consolidating" entity, which may, however, participate in these entities' financial and operating policy decisions. The securities of entities over which the group exercises significant influence are accounted for using the equity method.

Certain investments held by insurers or private equity companies and over which joint control or significant influence is exercised are recognized at fair value through profit or loss.

1.3 Consolidation methods

The consolidation methods used are the following:

1.3.1 Full consolidation

This method involves replacing the value of the shares held in the subsidiary concerned with each of the assets and liabilities of said subsidiary and showing separately the value of non-controlling interests in equity and net income. It applies to all entities under exclusive control, including those with different accounting structures, regardless of whether their operations are an extension of those of the "consolidating" entity.

1.3.2 Consolidation using the equity method

This involves replacing the value of the securities with the group's share of the shareholders' equity and earnings of the entities in question. It is applied to all entities under joint control, classified as joint ventures or for all entities under significant influence.

1.4 Non-controlling interests

Non-controlling interests correspond to interests that do not confer control as defined by IFRS 10 and include partnership interests that entitle their holders to a share in net assets in the event of liquidation and other equity instruments issued by subsidiaries that are not held by the group.

1.5 Reporting date

The reporting date for the annual financial statements of all the group's companies in the scope of consolidation is December 31.

1.6 Elimination of intercompany transactions and balances

Intercompany transactions and balances, as well as gains or losses on intercompany sales that have a material impact on the consolidated financial statements, are eliminated.

1.7 Foreign currency translation

For the financial statements of foreign entities denominated in foreign currencies, the balance sheet is translated using the official exchange rate as of the reporting date. The difference in capital, reserves, and retained earnings resulting from changes in exchange rates is recorded in equity under the "Translation Reserves" account. The income statement is converted using the average exchange rate for the fiscal year, which is an acceptable proxy given the absence of significant exchange rate fluctuations during the period. The resulting translation differences are recognized directly in the "Translation Reserves" account. This difference is reclassified to income in the event of the sale or liquidation of all or part of the investment held in the foreign entity.

1.8 Goodwill

1.8.1 Fair value adjustments

At the date of acquisition of a controlling interest in a new entity, said entity's assets, liabilities and contingent liabilities are measured at their fair value. Fair value adjustments corresponding to the difference between the carrying amount and fair value are recognized.

1.8.2 Goodwill

In accordance with IFRS 3, as of the date of obtaining control of a new entity, the identifiable assets, liabilities, and contingent liabilities of the acquired entity that meet the recognition criteria under IFRS are measured at their fair value as of the acquisition date, with the exception of noncurrent assets classified as assets held for sale in accordance with IFRS 5, which are recognized at the lower of their net fair value less costs to sell and their net carrying amount. Goodwill is the sum of the consideration transferred and minority interests, less the net amount recognized (generally at fair value) for the identifiable assets acquired and liabilities assumed. IFRS 3 allows for the recognition of either full or partial goodwill, with the choice made on a business combination-by-combination basis. In the first case, minority interests are measured at fair value (the so-called "total goodwill" method); in the second, they are based on their proportionate share of the values assigned to the acquiree's assets and liabilities ("partial goodwill"). If goodwill is positive, it is recognized as an asset; if it is negative, it is immediately recognized in income under "Changes in the value of goodwill".

If the group's stake in an entity it already controls increases/decreases, the difference between the share acquisition cost/selling price and the portion of consolidated equity that said shares represent on the acquisition/sale date is recognized within equity.

Goodwill is presented on a separate line in the balance sheet for fully consolidated companies and under "Investments in equity consolidated companies" when the entities are consolidated using this method.

Goodwill does not include direct costs related to acquisitions, which according to IFRS 3, are recognized in profit or loss.

The group performs impairment tests on goodwill on a regular basis and at least once a year. The purpose of these tests is to ensure that goodwill has not been impaired. Goodwill arising from a business combination is allocated to cash-generating units (CGUs) or groups of CGUs that are expected to benefit from the synergies of the business combination. The recoverable amount of a CGU or group of CGUs is the higher of its value in use and its fair value less costs to sell. Value in use is assessed based on estimated future cash flows, discounted at a rate that reflects the market's current assessment of the time value of money and the risks specific to the asset or CGU. If the recoverable amount of the cash-generating unit (CGU) to which goodwill is allocated is less than its carrying amount, an impairment loss is recognized in the amount of the difference. This impairment loss, recognized in income, is irreversible. In practice, CGUs are defined based on the business lines in which the group operates.

When goodwill relates to an associate or a joint venture, it is included in the carrying amount of the equity investment. In this case, it is not tested for impairment separately from the equity investment. When the recoverable amount of the equity investment (*i.e.* the higher of its value in use and its fair value less costs to sell) is less than its carrying amount, an impairment loss is recognized and is not allocated to any specific asset. Any reversal of this impairment loss is recognized to the extent that the recoverable amount of the equity method investment subsequently increases.

2 Accounting policies and principles

2.1 Financial instruments under IFRS 9

2.1.1 Classification and measurement of financial assets

Under IFRS 9, the classification and measurement of financial assets depend on the business model and contractual terms of the financial instruments.

2.1.1.1 Loans, receivables and debt securities acquired

The asset is classified and measured as follows:

- at amortized cost, if it is held in order to collect contractual cash flows and if its characteristics are similar to those of a "basic" contract, see the section below "Cash flow characteristics" ("hold-to-collect" model);
- at fair value through equity if the instrument is held to collect the contractual cash flows and to sell them when the opportunity arises, yet without holding it for trading, and if its characteristics are similar to those of a basic contract implicitly entailing a high predictability of associated 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), or
  - the group elects to classify it as such, on an optional basis, at inception and irrevocably. This option is used to reduce accounting mismatch in relation to another associated instrument.

Cash flow characteristics

Contractual cash flows which solely represent repayments of principal and the payment of interest on outstanding principal are compatible with a "basic" contract.

In a basic contract, interest mainly represents the consideration for the time value of money (including in the event of negative interest) and credit risk. Interest may also include liquidity risk, asset management fees, and a profit margin.

All contractual provisions must be analyzed, particularly those that could alter the timing or amount of contractual cash flows. The option, under the agreement, for the creditor or lender to repay the financial instrument early is compatible with the SPPI[1] (solely payments of principal and interest) criterion for contractual cash flows, provided that the amount repaid essentially represents the outstanding principal and accrued interest, as well as, where applicable, early repayment compensation of a reasonable amount.

The compensation for early repayment is deemed reasonable if, for example:

- it is expressed as a percentage of the principal repaid and is below 10% of the nominal amount repaid; or
- it is determined according to a formula aimed at compensating the difference in the benchmark interest rate between the date on which the loan was granted and its early repayment date.

The analysis of contractual cash flows may also require comparing them with those of a benchmark instrument when the time value of money component included in the interest is likely to be affected by the instrument's contractual terms. This is the case, for example, when the interest rate of the financial instrument is revised periodically, but the frequency of such revisions is unrelated to the period for which the interest rate was established (*e.g.* monthly revision of an annual interest rate), or when the interest rate of the financial instrument is revised periodically based on an average interest rate.

If the difference between the undiscounted contractual cash flows of the financial asset and those of the reference instrument is significant, or may become so, the financial asset cannot be considered as basic.

Depending on the case, the analysis is either qualitative or quantitative. The significance of the deviation is assessed for each fiscal year and cumulatively over the instrument's life. The quantitative analysis takes into account a range of reasonably possible scenarios. To this end, the group used yield curves dating back to the year 2000.

In addition, a specific analysis is conducted for securitizations, given that there is a priority of payment among holders and concentrations of credit risk in the form of tranches. In that case, the analysis requires the examination of the contractual characteristics of the tranches in which the group has invested and of the underlying financial instruments, as well as the credit risk of the tranches in relation to the credit risk of the underlying financial instruments.

Note that:

- financial assets classified as non-SPPI are recognized at fair value through profit or loss,
- units in UCITS or real estate UCI (OPCI) are not basic instruments and are recognized at fair value through profit or loss.

[1] *SPPI: Solely Payments of Principal and Interest.*

Business models

The business model represents the way in which financial instruments are managed to generate cash flows and revenue. It is based on observable facts, not merely on management's intentions. It is not assessed at the entity level or on an instrument-by-instrument basis, but is based on a higher level of aggregation that reflects how groups of financial assets are managed collectively. It is determined at the outset and may be reassessed in the event of a change in the model (in exceptional cases).

To determine the business model, it is necessary to consider all available information, including the following:

- how the activity's performance is reported to decision-makers;
- how managers are compensated;
- the frequency, timing and volumes of sales in previous periods;
- the reasons for the sales;
- future sales forecasts;
- the way in which risk is assessed.

For the "hold-to-collect" business model, certain examples of authorized sales are explicitly set out in the standard:

- in response to an increase in credit risk;
- close to maturity and that the proceeds from these sales correspond approximately to the contractual cash flows still to be received;
- exceptional (*e.g.* linked to a liquidity stress).

Frequent disposals (of insignificant unit value) or infrequent disposals (even if of significant unit value) are compatible with the hold-to-collect model.

These "authorized" disposals are not taken into account in the analysis of the significant and frequent nature of sales made from a portfolio. Disposals linked to changes in the regulatory or tax framework will be documented on a case-by-case basis in order to demonstrate the "infrequent" nature of such disposals.

For other cases of disposals, thresholds have been defined according to the maturity of the securities portfolio, for example 2% of annual disposals on outstanding amounts in the portfolio with an average maturity of eight years (the group does not sell its loans recognized in a collection management model).

The group has mainly developed a model based on the collection of contractual cash flows from financial assets, which applies in particular to the customer financing activities.

It also manages financial assets according to a model based on the collection of contractual cash flows from financial assets and the sale of these assets, as well as a model for other financial assets, in particular financial assets held for trading.

Within the group, the "hold-to-collect-and-sell" model applies primarily to proprietary cash management and liquidity portfolio management activities.

Financial assets held for trading consist of securities originally acquired with the intention of reselling them in the near future, as well as securities that are part of a portfolio of securities that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking.

Financial assets at amortized cost

These mainly include:

- cash and cash equivalents, which comprise cash accounts, deposits, and demand loans and borrowings with central banks and credit institutions;
- other loans to credit institutions and loans to customers (granted directly, or the share in syndicated loans), not measured at fair value through profit or loss;
- a portion of the securities held by the group.

Financial assets classified in this category are initially recognized at fair value, which is generally the net amount disbursed. The rates applied to loans granted are presumed to be market rates, as the rate schedules are continuously adjusted based, in particular, on the rates charged by the vast majority of competing institutions.

Assets are measured at amortized cost at subsequent reporting dates using the effective interest rate method. The effective interest rate is the rate that exactly discounts future cash outflows or inflows over the estimated life of the financial instrument to produce the net carrying amount of the financial asset or liability. It incorporates estimated cash flows without taking future credit losses into account and includes commissions paid or received to the extent they are interest-like, directly attributable transaction costs, and all premiums and discounts.

For securities, the amortized cost takes into account the amortization of premiums and discounts, as well as acquisition costs, if significant. Purchases and sales of securities are recognized on the settlement date.

The income received is shown in the income statement under "Interest and similar income".

Commissions received or paid, which are directly linked to the arrangement of a loan and are treated as a component of interest, are spread over the term of the loan using the effective interest rate method and are recorded in the income statement under "Interest".

Commissions received in connection with the commercial renegotiation of loans are also spread over the term of the loan.

The restructuring of a loan due to the borrower's financial difficulties results in a novation of the contract. Following the definition of this concept by the European Banking Authority, the group integrated it into the information systems so that the accounting and prudential definitions are harmonized.

The fair value of assets at amortized cost is disclosed in the notes to the financial statements at the end of each reporting period. It corresponds to the net present value of future cash flows estimated using a zero-coupon yield curve that includes an issuer cost specific to the debtor.

Financial assets at fair value through shareholders' equity

For Crédit Mutuel Alliance Fédérale, this category includes only securities. They are recognized on the balance sheet at fair value at the time of acquisition, plus transaction costs, on the settlement date and in subsequent financial statements, until their disposal. Changes in fair value are recorded in a specific equity account titled "Unrealized or deferred gains and losses", excluding accrued income. These unrealized gains or losses recognized in equity are recognized in the income statement only upon disposal or impairment (see sections 2.1.7 "Derecognition of financial assets and liabilities" and 2.1.8 "Measurement of credit risk").

Income accrued or received is recognized in profit or loss under "Interest and similar income", using the effective interest rate method.

Financial assets at fair value through profit or loss

They are recognized at fair value at the time of their initial recognition and subsequently up to the date of their disposal (see section 2.1.7 "Derecognition of financial assets and liabilities"). Changes in fair value are recognized in the income statement under the heading "Net gains/(losses) on financial instruments at fair value through profit or loss".

Income received or accrued on financial instruments at fair value through profit or loss is recognized in the income statement under interest income/(expense).

Purchases and sales of securities measured at fair value through profit or loss are recognized on the settlement date. Changes in fair value between the transaction date and the settlement date are recognized in profit or loss.

2.1.1.2 Equity instruments acquired

Equity instruments acquired (shares, in particular) are classified as follows:

- at fair value through profit or loss; or
- optionally, at fair value through other non-recyclable equity at the initial recognition and in an irrevocable manner when they are not held for trading.

Financial assets at fair value through shareholders' equity

Shares and other equity instruments are recognized on the balance sheet at their fair value plus transaction costs at the time of acquisition, and in subsequent financial statements, until their disposal. Changes in fair value are recorded in a specific equity account titled "Unrealized or deferred gains and losses". These unrealized gains or losses recognized in equity are never recognized in the income statement, even upon disposal (see section 2.1.7 "Derecognition of financial assets and liabilities"). Only dividends received on variable-income securities are recognized in the income statement, under the heading "Net gains or losses on financial assets at fair value through shareholders' equity".

Purchases and sales of securities are recognized on the settlement date.

Financial assets at fair value through profit or loss

Equity instruments are recognized in the same way as debt instruments at fair value through profit or loss.

2.1.2 Classification and measurement of financial liabilities

Financial liabilities are classified in one of the following two categories:

2.1.2.1 Financial liabilities at fair value through profit or loss

- those incurred for trading purposes including, by default, derivatives with a negative fair value which do not qualify as hedging instruments; and
- non-derivative financial liabilities that the group originally classified as measured at fair value through profit or loss (fair value option). This includes:
  - financial instruments containing one or more separable embedded derivatives,
  - instruments for which, if the fair value option is not applied, the accounting treatment would be inconsistent with that applied to another related instrument,
  - instruments belonging to a pool of financial instruments measured and managed at fair value.

The recognition of changes in fair value resulting from own credit risk concerning debts optionally designated at fair value through profit or loss is recognized in unrealized or deferred gains and losses in non-recyclable equity. The group is only marginally affected by the issue of its own credit risk.

2.1.2.2 Financial liabilities at amortized cost

They include other non-derivative financial liabilities. These include debts due to customers and to credit institutions, debt securities (certificates of deposit, interbank market securities, bonds etc.), as well as dated and undated subordinated debt for which measurement at fair value through profit or loss was not opted for.

Subordinated debt is separated from other debt securities since, in the event of liquidation of the debtor's assets, it is repaid only after claims by other creditors have been extinguished. Non-preferred senior securities created under the Sapin 2 Law are classified as debt securities.

These liabilities are initially recognized at fair value in the balance sheet. At subsequent reporting dates, they are measured at amortized cost using the effective interest rate method. For issued securities, the initial fair value is their issue price, if any, less transaction costs.

Regulated savings contracts

Liabilities carried at amortized cost include *comptes épargne logement* (CEL – mortgage saving accounts) and *plans épargne logement* (PEL - mortgage saving plans), which are regulated French products available to customers (natural persons). These products combine an interest-bearing savings phase that entitles the customer to a mortgage in a second phase. They create two types of obligations for the distributing institution:

- an obligation to pay interest on paid-in amounts at a fixed rate (in the case of PEL only, as interest on CEL is regularly revised on the basis of an indexation formula and is therefore treated as variable-rate interest);
- an obligation to grant loans to customers under predetermined terms (both PEL and CEL).

These obligations were estimated based on customer behavior statistics and market data. A provision is recorded on the liability side of the balance sheet to cover future expenses related to the potentially unfavorable terms of these products, compared to the interest rates offered to retail customers for similar products that are not subject to regulatory interest rate caps. This approach is applied on a homogeneous generation basis with respect to the regulated terms of PEL and CEL accounts. The impact on earnings is recorded under interest paid to customers.

2.1.3 Debt-equity distinction

According to the IFRIC 2 interpretation, members' shares are shareholders' equity if the entity has an unconditional right to refuse redemption or if there are legal or statutory provisions prohibiting or significantly limiting redemption. Due to existing statutory and legal provisions, the shares issued by the entities comprising the “consolidating” entity of the Crédit Mutuel Alliance Fédérale group are recognized as shareholders' equity.

Other financial instruments issued by the group are classified as debt instruments in the group’s accounts when the group has a contractual obligation to deliver cash to holders of the instruments. This is particularly true for all subordinated notes issued by the group.

2.1.4 Foreign currency transactions

Assets and liabilities denominated in a currency other than the functional currency are translated at the exchange rates at the reporting date.

2.1.4.1 Monetary financial assets or liabilities

Foreign currency gains and losses on the translation of such items are recorded in the income statement under “Net gains/(losses) on portfolio at fair value through profit or loss”.

2.1.4.2 Non-monetary financial assets or liabilities measured at fair value

Foreign exchange gains or losses arising from such translations are recognized in the income statement under “Net gains/(losses) at fair value through profit or loss” if measured at fair value through profit or loss, or recognized under “Unrealized or deferred capital gains/(losses)” if they are financial assets at fair value through shareholders’ equity.

2.1.5 Derivatives and hedge accounting

IFRS 9 allows entities to choose, on first-time application, whether to apply the new provisions concerning hedge accounting or to retain those of IAS 39.

The group has chosen to retain the provisions of IAS 39. In accordance with IFRS 7 (revised), additional information on the management of risks and the impacts of hedge accounting on the financial statements is provided in the notes or in the management report.

Moreover, the provisions of IAS 39 concerning the fair value hedge of the interest rate risk associated with a portfolio of financial assets or financial liabilities, as adopted by the European Union, continue to apply.

Derivative financial instruments are instruments which have the following three characteristics:

- their value fluctuates in response to changes in the underlying items (interest rates, exchange rates, share prices, indices, commodities, credit ratings, etc.);
- their initial cost is low or nil;
- their settlement takes place at a future date.

The Crédit Mutuel Alliance Fédérale group uses simple derivative instruments (swaps, vanilla options), mainly interest rate instruments, which are essentially classified in level 2 of the value hierarchy.

All derivative financial instruments are recognized at fair value on the balance sheet as financial assets or liabilities. They are recognized by default as trading instruments unless they can be classified as hedging instruments.

2.1.5.1 Determining the fair value of derivatives

Most over-the-counter derivatives, swaps, forward rate agreements, caps, floors and vanilla options are valued using standard, generally accepted models (discounted cash flow method, Black and Scholes model or interpolation techniques), based on observable market data such as yield curves. The valuations given by these models are adjusted to take into account the liquidity risk and the credit risk associated with the instrument or parameter in question and specific risk premiums intended to offset any additional costs resulting from a dynamic management strategy associated with the model in certain market conditions, as well as the counterparty risk captured by the positive fair value of over-the-counter derivatives. The latter includes the own counterparty risk present in the negative fair value of over-the-counter derivatives.

When establishing valuation adjustments, each risk factor is considered individually and no effect of diversification between risks, parameters or models of a different nature are taken into account. A portfolio-based approach is most often used for a given risk factor.

Derivatives are recognized as financial assets when their market value is positive and as financial liabilities when their market value is negative.

2.1.5.2 Classification of derivatives and hedge accounting

Derivatives classified as financial assets or financial liabilities at fair value through profit or loss

By default, all derivatives not designated as hedging instruments under IFRS are classified as "Financial assets or financial liabilities at fair value through profit or loss", even if they were contracted for the purpose of hedging one or more risks.

Embedded derivatives

An embedded derivative is a component of a hybrid instrument that, when separated from its host contract, meets the definition criteria for a derivative. In particular, it causes certain cash flows to vary in a manner similar to that of a standalone derivative.

The derivative is detached from the host contract and recognized separately as a derivative instrument at fair value through profit or loss only if all of the following conditions are satisfied:

- it meets the definition criteria of a derivative;
- the hybrid instrument hosting the embedded derivative is not measured at fair value through profit or loss;
- the economic characteristics of the derivative and the associated risks are not considered as being closely related to those of the host contract;
- separate measurement of the embedded derivative is sufficiently reliable to provide relevant information.

Under IFRS 9, only embedded derivatives relating to financial liabilities can be recognized separately from the host contract.

Realized and unrealized gains and losses are recognized in the income statement under "Net gains/(losses) on financial instruments at fair value through profit or loss".

Hedge accounting

Risks hedged

In its accounts, the group only recognizes interest rate risk through micro-hedging, or on a larger scale through macro-hedging.

Micro-hedging is a partial hedge of the risks an entity faces with respect to the assets and liabilities it holds. It applies specifically to one or more assets or liabilities for which the entity hedges the risk of an adverse change in a particular type of risk using derivatives.

Macro-hedging aims to cover all of the group's assets and liabilities against any unfavorable changes, particularly in interest rates.

The overall management of the interest rate risk is described in the management report, along with the management of all other risks (foreign exchange, credit, etc.) that may be hedged through the natural backing of assets to liabilities or the recognition of trading derivatives.

Micro-hedging is typically carried out as part of asset swaps. It generally aims to transform a fixed-rate instrument into a variable-rate instrument.

Three types of hedging relationship are possible. The choice of the hedging relationship depends on the nature of the risk being hedged.

- a fair value hedge hedges the exposure to changes in the fair value of financial assets or financial liabilities :
- a cash flow hedge is a hedge of the exposure to variability in cash flows relating to financial assets or financial liabilities, firm commitments or forward transactions;
- the hedging of net investments in foreign currencies is recognized in the same way as cash flow hedging. The group has not used this form of hedging.

Hedging derivatives must meet the criteria stipulated by IAS 39 to be designated as hedging instruments for accounting purposes. In particular:

- the hedging instrument and the hedged item must both qualify for hedge accounting;
- the relationship between the hedged item and the hedging instrument must be formally documented as soon as the hedging relationship is established. This documentation sets out the risk management objectives determined by management, the nature of the risk hedged, the underlying strategy and the methods used to measure the effectiveness of the hedge;
- the effectiveness of the hedge must be demonstrated upon inception of the hedging relationship, subsequently throughout its life, and at least at each reporting date. The ratio of the change in value or gain or loss on the hedging instrument to that of the hedged item must fall within a range of 80% to 125%.

Where applicable, hedge accounting is discontinued prospectively.

Fair value hedge of identified financial assets or liabilities

In the case of a fair value hedge relationship, derivatives are remeasured to fair value through profit or loss under the heading "Net gains/(losses) on financial instruments at fair value through profit or loss", in a manner that mirrors the revaluation of the hedged items through profit or loss related to the hedged risk. This rule also applies if the hedged item is carried at amortized cost or, in the case of a debt instrument, is classified as "Financial assets at fair value through shareholders' equity". Changes in the fair value of the hedging instrument and the hedged risk component offset each other partially or entirely; only any hedge ineffectiveness remains in income. This may result from:

- the "counterparty risk" component integrated in the value of the derivatives;
- the difference in the valuation curve between the hedged items and the hedging instruments. In fact, swaps are valued using an OIS (Overnight Indexed Swap) curve if they are "collateralized" or using a BOR (Borrowing Rate) curve otherwise. Hedged items are valued using a BOR curve.

The portion corresponding to the rediscounting of the derivative financial instrument is recognized in the income statement under "Interest income/(expense)". The same treatment is applied to the interest income or expense relating to the hedged item.

If the hedging relationship is interrupted or the effectiveness criteria are not met, hedge accounting is discontinued on a prospective basis. The hedging derivatives are transferred to "Financial assets or financial liabilities at fair value through profit or loss" and are accounted for in accordance with the principles applicable to this category. The carrying amount of the hedged item is subsequently no longer adjusted to reflect changes in fair value. In the case of interest rate instruments initially identified as hedged, the revaluation adjustment is amortized over their remaining life. If the hedged item has been derecognized in the balance sheet, in particular due to early repayment, the cumulative adjustments are recognized immediately in the income statement.

Macro-hedging derivatives

The group takes advantage of the options provided by the European Commission for accounting for its macro-hedging transactions. In fact, the amendments made by the European Union to IAS 39 (carve-out) allow customer demand deposits to be included in hedged fixed-rate liability portfolios and preclude the recognition of any ineffectiveness in the event of under-hedging. Demand deposits are incorporated in accordance with the run-off patterns defined by asset-liability management.

For each portfolio of financial assets or liabilities bearing a fixed rate, the effectiveness of the hedging relationship is verified through:

- an over-hedging test: the group ensures that, prospectively and retrospectively, the maturity schedule of the hedged items is greater than that of the hedging derivatives;
- a test of non-disappearance of the hedged item, which consists of ensuring that the maximum historically hedged position is lower than the nominal value of the hedged portfolio at the reporting date for each future maturity band and each rate generation;
- a quantitative test: a quantitative test intended to ensure retrospectively that changes in the fair value of the modeled synthetic instrument offset changes in the fair value of the hedging instruments.

The sources of ineffectiveness related to macro-hedging result from mismatches in the curves used to model the hedged portfolios and hedging derivatives, as well as possible mismatches in the interest payments of these items.

The accounting treatment of fair value macro-hedging derivatives is similar to that used for fair value hedging derivatives.

Changes in the fair value of the hedged portfolios are recorded in the balance sheet under "Revaluation adjustment on rate-hedged books", the counterpart being an income statement line item.

Cash flow hedges

In the case of a cash flow hedging relationship, derivatives are remeasured at fair value in the balance sheet, with the effective portion recognized in equity. The portion deemed ineffective is recognized in the income statement under "Net gains/(losses) on financial instruments at fair value through profit or loss".

Amounts recognized in equity are reclassified to profit or loss under "Interest income/(expense)" at the same time as the cash flows attributable to the hedged item affect profit or loss.

Hedged items continue to be accounted for in accordance with the rules specific to their accounting category. In the event of a termination of the hedging relationship or failure to meet the effectiveness criteria, hedge accounting is discontinued. The cumulative amounts recognized in equity resulting from the revaluation of the hedging derivative remain in equity until the hedged transaction itself affects income or until it is determined that the transaction will not occur. These amounts are then transferred to income.

If the hedged item no longer exists, the cumulative amounts recorded in equity are immediately transferred to profit or loss.

2.1.6 Financial guarantees and financing commitments

A contract qualifies as a financial guarantee if it requires the issuer to make specific payments to reimburse the policyholder for a loss incurred because a specified debtor fails to make payment on a debt instrument on the due date.

These contracts may be classified as insurance contracts if they transfer a significant insurance risk. In that case, they fall within the scope of IFRS 17 (see note 2.2.2).

If they provide for payments in response to changes in a financial variable (price, credit rating, index, etc.) or a non-financial variable, provided that in this case the variable is not specific to one of the parties to the contract, then these guarantees are treated as derivatives, falling within the scope of IFRS 9.

Financing commitments that are not considered as derivatives within the meaning of IFRS 9 are not shown on the balance sheet. However, provisions are established for them in accordance with the provisions of IFRS 9.

2.1.7 Derecognition of financial assets and liabilities

The group partly or fully "derecognizes" a financial asset (or a group of similar assets) when the contractual rights to the asset's cash flows expire (as in the case of commercial renegotiations), or when the group has transferred the contractual rights to the financial asset's cash flows, as well as most of the risks and advantages linked with ownership of the asset.

Upon "derecognition" of:

- a financial asset or liability at amortized cost or at fair value through profit or loss: a gain or loss on disposal is recognized in the income statement in an amount equal to the difference between the carrying amount of the asset or liability and the amount of the consideration received/paid;
- a debt instrument at fair value through equity: the unrealized gains or losses previously recognized under equity are taken to the income statement, as well as any capital gains/losses on disposal;
- an equity instrument at fair value through equity: the unrealized gains or losses previously recognized under equity, as well as any capital gains/losses on disposal are recognized in consolidated reserves without going through the income statement.

The group "derecognizes" a financial liability when the obligation specified in the contract is extinguished, canceled, or has expired. A financial liability may also be "derecognized" in the event of a material change in its contractual terms and conditions, or an exchange with the lender for an instrument whose contractual terms and conditions are substantially different.

2.1.8 Measurement of credit risk

The impairment model of IFRS 9 is based on an expected loss approach, whereas that of IAS 39 was based on an incurred credit loss model, implying that credit losses were recognized too late and too little at the time of the financial crisis.

Under this IFRS 9 model, financial assets for which no objective evidence of impairment exists on an individual basis are impaired on the basis of observed losses as well as reasonable and justifiable future cash flow forecasts.

The IFRS 9 impairment model thus applies to all debt instruments measured at amortized cost or at fair value through equity, as well as to financing commitments and financial guarantees. These outstanding amounts are divided into three categories:

- stage 1 – non-downgraded performing loans: provisioning on the basis of 12-month expected credit losses (resulting from default risks over the following 12 months) from the initial recognition of the financial assets, provided that the credit risk has not increased significantly since initial recognition;
- stage 2 – downgraded performing loans: provisioning on the basis of the expected credit losses at maturity (resulting from default risks over the entire remaining life of the instrument) if the credit risk has increased significantly since initial recognition; and
- stage 3 – non-performing loans: category comprising the financial assets for which there is objective evidence of impairment related to an event that has occurred since the loan was granted.

For stages 1 and 2, the basis of calculation of interest income is the gross value of the asset before impairment while, for stage 3, it is the net value after impairment.

2.1.8.1 Governance

The models for allocation across sub-portfolios, forward-looking scenarios, and methodologies for calculating parameters form the methodological foundation for impairment calculations. They are validated at the highest level of the group and are intended to be applied across all entities based on the relevant portfolios. The entire methodological framework, as well as any changes to the methodology, scenario weightings, or parameter calculations, and the calculation of provisions, must be validated by the Crédit Mutuel group's executive bodies.

The governing bodies consist of supervisory and executive bodies as defined in Article 10 of the Order of November 3, 2014, on internal control. Given the specificities of the Crédit Mutuel group's decentralized organizational structure, the supervisory and management body are divided into two levels: the national level and the regional level.

The principle of subsidiarity, applied across the Crédit Mutuel group, governs the breakdown of roles between national and regional levels, both on a project basis and for the ongoing implementation of the asset impairment calculation methodology.

At the national level, the Basel III Working Group approves the national procedures, models, and methodologies to be applied by regional groups. Any change in the calibration of the scenarios or parameters used in the IFRS 9 provisioning model is validated by this body.

At the regional level, regional groups are tasked with the calculation of the IFRS 9 provisions within their entities, under the responsibility and control of their respective executive and supervisory bodies.

2.1.8.2 Definition of the boundary between stages 1 and 2

The group uses the models developed for prudential purposes and has therefore applied a similar breakdown of its outstandings:

- low default portfolios (LDPs), for which the rating model is based on an expert assessment: Large corporates, Banks, Local governments, Sovereigns, Specialized financing. These portfolios consist of products such as operating loans, short-term operating loans, current accounts etc.;
- high default portfolios (HDPs), for which the default data is sufficient to establish a statistical rating model: mass corporate and retail. These portfolios include products such as home loans, consumer finance, revolving loans, current accounts, etc.

A significant increase in credit risk, which entails transferring a loan out of stage 1 into stage 2, is assessed by:

- taking into account all reasonable and justifiable information; and
- comparing the risk of default on the financial instrument at the reporting date with the risk of default at the initial recognition date.

For the group, this involves measuring the risk at the level of the creditor, where the counterparty rating system is common to the entire group. All of the group's counterparties eligible for internal approaches are rated by the system. This system is based on:

- statistical algorithms or "mass ratings" based on one or more models, using a selection of representative and predictive risk variables (HDPs); or
- rating grids developed by experts (LDPs).

The change in risk since initial recognition is assessed on a contract-by-contract basis. Unlike stage 3, transferring a customer's contract into stage 2 does not entail transferring all of the customer's outstandings or those of related parties (absence of contagion).

Note that the group immediately puts into stage 1 any performing exposure that no longer meets the criteria for stage 2 classification (both qualitative and quantitative).

The group has demonstrated that a significant correlation exists between the probabilities of default at 12 months and at termination, which allows it to use 12-month credit risk as a reasonable approximation of the change in risk since initial recognition, as the standard permits.

Quantitative criteria

For LDP portfolios, the boundary is based on an allocation matrix that relates the internal ratings at origination and at the reporting date. Thus, the riskier the initial rating, the lower the group's relative tolerance for a significant deterioration in risk.

On the HDP portfolios, at December 31, 2024, the group was committed to adapting the criteria for assessing a significant increase in credit risk, in line with the recommendations issued by the European Banking Authority and the European Central Bank.

In accordance with these new criteria, the group opted for the operational simplification proposed by the standard, which allows low-risk loans at the closing date to be maintained in stage 1 as long as the following three conditions are met:

- the financial asset has a low risk of default;
- the creditor demonstrates a strong ability to meet their short-term contractual cash flow obligations;
- the creditor's ability to meet their short-term contractual obligations is not necessarily impaired by unfavorable changes in longer-term economic and business conditions.

Credit risk is considered to have increased significantly if the probability of default on the instrument has increased by a factor of at least three since origination.

Lastly, the frontier curve formula, which relates the probability of default at inception to the probability of default at the closing date, has been revised to better reflect the prospective dimension within HDPs.

Qualitative criteria

To this quantitative data the group adds qualitative criteria such as installments unpaid or late by more than 30 days, the fact that a loan has been restructured, etc.

Methods based exclusively on qualitative criteria are used for entities or small portfolios that are classified for prudential purposes under the standardized approach and do not have a rating system.

2.1.8.3 Stages 1 and 2 – Calculating expected credit losses

Expected credit losses are calculated by multiplying the outstanding balance, discounted at the contract rate, by its probability of default (PD) and by the loss given default (LGD) rate. Off-balance-sheet items are converted to on-balance-sheet equivalents based on the probability of drawdown. The one-year probability of default is used for stage 1, and the probability-to-maturity curve (1 to 10 years) is used for stage 2.

These parameters are based on the same values as prudential models and adapted to meet IFRS 9 requirements. They are used both for assigning contracts to stages and for calculating expected losses.

Probability of default

This is based:

- for high default portfolios, on the models approved under the IRB-A (advanced internal rating-based) approach;
- for low default portfolios, on an established external probability-of-default scale;

with historical data dating back to 1981.

Loss given default

This is based:

- for high default portfolios, on the collection flows observed over a long period of time, discounted at the interest rates of the contracts, segmented according to types of products and types of guarantees;
- for low default portfolios, on fixed ratios (60% for sovereign and 40% for the rest).

Conversion factors

For all products, including revolving loans, they are used to convert off-balance-sheet exposure to a balance sheet equivalent and are mainly based on prudential models.

Forward-looking aspect

To calculate expected credit losses, the standard requires that reasonable and justifiable information be taken into account, including forward-looking information. Developing the forward-looking dimension requires anticipating economic developments and linking these expectations to risk parameters. This forward-looking aspect is determined at the group level and is incorporated through the modeling of default probabilities and by adjusting the internal rating migration matrices (or risk parameters).

For high default portfolios, the forward-looking dimension included in the probability of default combines three scenarios – optimistic, neutral and pessimistic – which are weighted to reflect the group's five-year forecast of the business cycle, approved by the Chief Executive Officers of the regional groups and of the Crédit Mutuel Group.

These scenarios are drawn up by the group's economists, taking into account macroeconomic data (GDP, unemployment rate, inflation rate, short-term and long-term interest rates, etc.) published by institutions (IMF, World Bank, ECB, OECD).

The weighting to be attributed to the scenario used to calculate expected credit losses is set at a minimum of 50% for the central scenario, and the weighting of the two alternative scenarios is defined according to the economic cycle anticipated by the Group's economists. The weightings are updated at least every six months.

However, the forward-looking approach embedded in the expected credit loss model could be adjusted to incorporate elements that would not have been captured by the scenarios because:

- they are recent, meaning they occurred a few weeks before the reporting date;
- they cannot be included in a scenario: for example, regulatory changes that will certainly have a significant effect on the risk parameters unprecedented in the historical record and whose impact can be measured by making certain assumptions.

Post-model adjustments can be considered to reflect the consequences of climatic events on expected losses or the outlook for deterioration in certain economic sectors.

For low default portfolios, forward-looking information is incorporated into the large corporate/bank models, but not into the local government, sovereign and specialized financing models.

The effects of these adjustments are described above in the paragraph on credit risk.

2.1.8.4 Stage 3 – Non-performing loans

In stage 3, impairment is recognized whenever there is objective proof of impairment due to one or more events occurring after a loan or group of loans has been made that might generate a loss. The impairment is equal to the difference between the carrying amount and the estimated future cash flows, allowing for collateral or other guarantees, present-discounted at the interest rate of the original loan. In the event of a variable rate, it is the most recent contractual rate that is booked.

The Crédit Mutuel Group applies the new definition of prudential default in accordance with EBA guidelines and regulatory technical standards on applicable materiality thresholds, the main elements of which are as follows:

- default analysis is now performed on a daily basis at the creditor level and no longer at the contract level;
- the number of days of late installments is appraised for each creditor (obligor) or group of creditors (joint obligors) in the case of a joint commitment;
- the default is triggered when 90 consecutive days of delinquency are recorded for a creditor or group of creditors. The count of days begins when both the absolute materiality thresholds (€100 for Retail, €500 for Corporate) and the relative materiality threshold (more than 1% of balance sheet commitments in arrears) are exceeded simultaneously. The counter is reset as soon as either threshold is fallen below;
- the default contagion scope extends to all receivables of the creditor and all individual commitments of creditors participating in a joint credit obligation;
- there is a minimum three-month probationary period before non-restructured assets can return to healthy status.

Crédit Mutuel Alliance Fédérale has rolled out the new definition of default on IRB entities using the EBA's two-step approach:

- step 1 – This consists of presenting a self-assessment and an authorization request to the supervisor. The group obtained authorization to proceed in October 2019;
- step 2 – This consists of implementing the new definition of default and then adjusting the models if necessary after an observation period of 12 months for new defaults.

The group believes that this new definition of default, as required by the EBA, constitutes objective evidence of impairment for accounting purposes. The group has therefore aligned the definitions of default for accounting (stage 3) and prudential purposes. This development constitutes a change in accounting estimate, the immaterial impact of which is recognized in income during the fiscal year in which the change occurs.

2.1.8.5 Initially impaired financial assets

These are contracts for which the counterparty is classified as non-performing as of the date of initial recognition or acquisition. If the creditor is non-performing at the reporting date, the contracts are classified into stage 3; otherwise, they are classified as performing loans, identified in an "originated credit-impaired assets" category and provisioned based on the same method used for exposures in stage 2, *i.e.* an expected loss over the residual maturity of the contract.

2.1.8.6 Accounting

Impairment and provision charges are recognized in the cost of counterparty risk. Reversals of impairment charges and provisions are recognized in the cost of counterparty risk for the portion attributable to changes in risk, and in net interest income for the portion attributable to the passage of time. Impairment is deducted from assets for loans and receivables, and provisions are recorded as liabilities under the "Provisions" line item for financing and guarantee commitments (see section 2.1.6 "Financial guarantees and financing commitments" and section 2.3.2 "Provisions"). For assets measured at fair value through equity, the impairment recognized in the cost of risk is offset by "Unrealized or deferred gains and losses".

Loan losses are written off and the related impairments and provisions are reversed.

2.1.9 Determination of fair value of financial instruments

Fair value is the amount for which an asset could be sold, or a liability transferred, between knowledgeable willing parties in an arm's length transaction.

The fair value of an instrument upon initial recognition is generally its transaction price.

In subsequent measurements, this fair value must be determined. The calculation method to be applied varies depending on whether the instrument is traded on a market deemed to be active or not.

2.1.9.1 Instruments traded on an active market

When financial instruments are traded on an active market, fair value is determined based on quoted prices, as these represent the best possible estimate of fair value. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available (from a stock exchange, dealer, broker or pricing service) and those prices represent actual market transactions regularly occurring on an arm's length basis.

2.1.9.2 Instruments traded on a non-active market

Observable market data are used provided they reflect the reality of a transaction at arm's length on the valuation date and there is no need to make an excessive adjustment to said value. In other cases, the group uses unobservable data (mark-to-model).

When observable data is not available, or when market price adjustments require the use of unobservable data, the entity may use internal assumptions regarding future cash flows and discount rates, including adjustments for risks that the market would incorporate. Said valuation adjustments facilitate the inclusion, in particular, of risks not taken into account by the model, as well as liquidity risks associated with the instrument or parameter in question, and specific risk premiums designed to offset certain additional costs that would result from the dynamic management strategy associated with the model under certain market conditions.

When establishing valuation adjustments, each risk factor is considered individually and no effect of diversification between risks, parameters or models of a different nature are taken into account. A portfolio-based approach is most often used for a given risk factor.

In all cases, adjustments are made by the group in a reasonable and appropriate manner, based on judgment.

2.1.9.3 Fair value hierarchy

A three-level hierarchy is used for fair value measurement of financial instruments:

- level 1: price quoted on active markets for identical assets or liabilities; This applies in particular to debt securities quoted by at least three contributors and derivatives listed on an organized market;
- level 2: data other than the level 1 quoted prices, which are observable for the asset or liability concerned, either directly (*i.e.* prices) or indirectly (*i.e.* data derived from prices). Included, in particular, in level 2 are interest rate swaps whose fair value is generally determined with the help of yield curves based on market interest rates observed at the reporting date;
- level 3: data relating to the asset or liability that are not observable market data (non-observable data). The main constituents of this category are investments in non-consolidated companies held in venture capital entities or otherwise and, in the capital markets, debt securities quoted by a single contributor and derivatives using mainly non-observable parameters. The instrument is classified at the same hierarchical level as the lowest level of the input having an important bearing on fair value considered as a whole. Given the diversity and volume of the instruments measured at level 3, the sensitivity of the fair value to a change in the parameters would be immaterial.

2.2 Insurance activities

2.2.1 Financial investments of insurance activities

Financial investments of insurance activities, other than investment property, are valued in accordance with IFRS 9. For more details, see 2.1 Financial Instruments under IFRS 9.

Investment property underlying insurance contracts is measured at fair value through profit or loss in accordance with IAS 40.

2.2.2 Insurance contracts and reinsurance contracts

IFRS 17 defines the rules for the recognition, measurement and presentation of insurance contracts falling within its scope:

- valuation of insurance contracts on the balance sheet: Their value is updated at each reporting date, based on a re-estimation of the future cash flows associated with their performance. This re-estimation takes into account market data regarding financial information and policyholder behavior;
- recognition of the margin: the recognition in profit or loss of the future margin of the insurance contracts is spread over the duration of the insurance service; and
- presentation of the income statement: general operating expenses attributable to the execution of insurance contracts are presented as a reduction of net revenue under insurance services expenses and therefore do not affect the total amount of general operating expenses in the consolidated income statement.

The group has adopted the Year To Date (YTD) approach for assessing the various components of accounting models under IFRS 17.

This choice of accounting method is applied to all insurance contracts issued and reinsurance contracts held, and involves disregarding estimates previously made in its interim financial statements.

Scope of application

IFRS 17 applies to insurance contracts issued, reinsurance contracts issued and held, and discretionary participation investment contracts issued.

An insurance contract is a contract under which the issuer assumes a significant insurance risk for the policyholder by agreeing to indemnify the policyholder if the insured event, which is future and uncertain, affects the policyholder unfavorably.

Grouping of contracts

The standard requires the identification of portfolios of insurance contracts, *i.e.* contracts subject to similar risks and managed together.

Each portfolio of insurance contracts issued is then divided into three profitability levels:

- onerous contracts upon initial recognition;
- contracts which, at the time of initial recognition, have no significant possibility of becoming loss-making; and
- the other contracts in the portfolio.

The profitability level of a contract group must be uniform across all the contracts included in the group.

In addition, IFRS 17, as published by the IASB, introduces the principle of annual cohorts, prohibiting contracts issued more than one year apart from each other from being included in the same group.

Nevertheless, the standard as adopted by the European Union provides for an optional exception from the application of this rule for groups of insurance contracts with direct participation features and groups of investment contracts with discretionary participation features whose cash flows affect, or are affected by, cash flows to policyholders of other contracts.

GACM applies this European exception to eligible groups of contracts.

The different levels of aggregation used by GACM are as follows:

Definition of contract portfolios

General model and simplified model contracts are grouped by homogeneous product families, without distinction by guarantee or by legal entity within the same geographic area. Contracts under the VFA (Variable Fee Approach) model are grouped according to the asset portfolio to which they are linked.

Profitability signature and definition of contract groups

Given GACM's approach to contract portfolios, it is clear that contract portfolios present a homogeneous level of profitability by underwriting generation. Consequently, a policy portfolio valued using either the general model or the simplified model will be subdivided into a single group by underwriting year.

For VFA contracts, the contract group corresponds to the contract portfolio, in line with the European exception.

The IFRS 17 contract aggregation level defines the contract aggregation level to be used for measuring insurance contract liabilities and profitability.

Valuation models

General valuation model for insurance contracts (building blocks approach)

Contracts should be valued by default according to a general measurement model as the sum of the following elements:

- fulfillment cash flows:
  - estimates of future cash flows weighted by their probability of occurrence,
  - an adjustment to reflect the time value of money (*i.e.* discounting these future cash flows),
  - an adjustment for non-financial risks;
- the contractual service margin (or CSM).

The cash flows included in the contract boundary consist primarily of premiums, benefits, and directly attributable expenses. For savings contracts, this includes in particular free payments as well as the annuity phase in service when the contracts provide for a mandatory annuity payment.

The contractual service margin represents the unearned profit for a group of insurance contracts, *i.e.* the present value of future profits. It is amortized in income from insurance contracts over the coverage period of the contracts, as the insurance entity provides services to policyholders according to the coverage units.

The general model requires an adjustment to the contractual service margin at each reporting date due to changes in cash flows resulting from changes in technical assumptions (mortality, morbidity, longevity, surrenders, expenses, future payments, etc.).

In view of the diversity of insurance contracts, the determination of coverage units requires judgment in considering both the level of coverage defined in the contract (for example, the capital in the event of death for a loan contract) and the expected duration of the contract.
The CSM of a group of contracts cannot be negative; any negative amount of fulfillment cash flows at the start or during the contract is immediately recognized in income.

Discount rate

IFRS 17 requires the use of discount rate curves that reflect the time value of money, as well as the cash flow and liquidity characteristics of insurance contracts. To determine the discount rate, the group applies the bottom-up approach. This methodology consists of summing a liquid risk-free component, based on swap rates, and an adjustment to account for the liquidity characteristics of insurance contracts.

The group uses the EIOPA (European Insurance and Occupational Pensions Authority) yield curve and retains the principles relating to the extrapolation of the risk-free yield curve as part of the revision of the Solvency II directive (general approach of the Council of the European Union) because the latter provide greater coherence and consistency in terms of the financial markets.

The illiquidity premium is determined based on the composition of the portfolio of assets held by the group, as well as market performance indices. It includes both listed bond and non-bond assets:

- for bond assets, the illiquidity premium is assessed by comparing portfolio spreads with the implicit return on credit risk (compensation for the risk of default and rating downgrade);
- for non-bond classes, the illiquidity premium represents the expected outperformance net of market risks. The asset classes in question are real estate, private equity, debt funds, and alternative investments.

The illiquidity premium is then adjusted by an application coefficient to take into account differences in the characteristics of the liabilities.

Adjustment for non-financial risk and confidence level

The adjustment for non-financial risk must reflect the compensation required by the group to support the uncertainty surrounding the amount and timing of cash flows that is generated by the non-financial risk when the group executes insurance contracts.

It was decided to calculate the risk adjustment with a quantile approach using Value at Risk ("VaR") for all risks. The group considers that a quantile of 80% represents an adequate level of prudence for the underlying technical reserves.

The estimate of the risk adjustment for non-financial risk takes into account the risk diversification effect.

This general model will apply by default to all insurance contracts.

The carrying amount of a group of insurance contracts is remeasured at the end of each subsequent period. It is then equal to the sum of the following two amounts:

- the liability for remaining coverage, which includes the value of the re-estimated execution flows at that date (present value of premiums to be received and future benefit expenses over the remaining coverage period) and the adjusted contractual service margin on the same date as described above;
- the liability for incurred claims, for an amount equal to the present value of the estimated cash flows required to settle valid requests on claims that have already occurred.

On this same reporting date, the amount of the contractual service margin is updated to take into account, notably:

- the effect of new contracts added to the group of contracts;
- interest capitalized at the discount rate used to determine the initial value of the margin;
- the re-estimation of fulfillment cash flows resulting from changes in technical assumptions (present value of premiums to be received and future benefit expenses over the remaining coverage period, excluding estimates of expenses to be paid on claims already incurred that are subject to a separate assessment).

However, if the negative amount related to the discounted future cash flow changes is greater than the amount of the remaining margin, then the negative surplus is immediately recognized in profit or loss. The margin is also capitalized at the rate set at the inception of the contract.

The effect of unwinding the discount on the liability related to the passage of time is recorded in "Financial income or financial expenses from insurance contracts issued" as well as that related to the change in the discount rate. The latter, however, may be recognized in equity at the company's discretion.

The group applies the option to neutralize the effects of discount rates in shareholders' equity for the portfolios of insurance contracts valued under the general model.

The group applies the General Measurement Model to long-term personal insurance and protection insurance contracts (in particular real estate creditor contracts, funeral contracts and long-term care contracts).

The coverage units used are calibrated according to the amount insured, therefore without reference to the cost to the insurer.

Variable fee model (Variable Fee Approach)

IFRS 17 provides for an adaptation of the general model for direct participating contracts. This adapted model, known as the "Variable Fee Approach", makes it possible to reflect, in the valuation of insurance liabilities, the obligation to pay policyholders a substantial portion of the return on underlying assets net of contract expenses (as the changes in the value of the underlying assets attributable to policyholders are neutralized in the contractual service margin).

Insurance contracts with direct participation features are insurance contracts which, in substance, constitute contracts for investment-related services, where the entity promises a return based on underlying items. They are therefore defined as insurance contracts in which:

- the contractual terms specify that the policyholder is entitled to a share in a clearly defined portfolio of underlying items;
- the entity expects to pay the policyholder an amount corresponding to a substantial portion of the return obtained on the fair value of the underlying items;
- the entity expects any change in the amounts payable to the policyholder to be substantially attributable to changes in the fair value of the underlying items.

Eligibility for VFA is assessed on the basis of these criteria at the inception of the contract and is not reviewed thereafter, except in the event of substantial modification to the contract.

The main adaptations as compared to the General Model relate to:

- the portion of the change in fair value of the underlying investments attributable to the insurer. At each reporting date, it is included in the contractual service margin in order to be recognized in income over the expected remaining coverage period of the contracts;
- interest on the contractual service margin, the changes of which are implicitly included in the periodic revision of the contractual service margin.

The result of these contracts is therefore primarily reflected in the easing of cash flows from contract performance and the amortization of the contractual service margin. Indeed, when the underlying items perfectly back the liabilities and are measured at fair value through profit or loss, the financial result of these contracts is zero. In the event of an accounting mismatch between the underlying assets and the insurance liability, the option to recognize the effect of changes in the liability related to these assets in equity is applicable.

The group applies the VFA model to all of the group's life insurance products (both general fund contracts and unit-linked contracts). The modeling grid used is the portfolio of assets underlying the contracts in question.

The selected cover units are the contracts' mathematical reserves. Based on this driver, the group had to apply an adjustment factor to amortize the CSM into income and neutralize the bias caused by the so-called "bow wave" effect associated with stochastic modeling in a risk-neutral environment. After applying the adjusted cover unit, the amount of CSM amortized to income in each period takes into account the so-called "real-world" environment and reflects the value provided to policyholders over the period in question.

Simplified approach (Premium Allocation Approach)

The standard also allows, subject to conditions, the application of a simplified approach known as the Premium Allocation Approach to contracts with a duration less than or equal to 12 months or if the application of the simplified approach gives a result close to the General Model.

For profitable contracts, the liability relating to the residual hedging period corresponds to the amount of premiums initially received less acquisition costs and amounts already recognized in the income statement before the reporting date. Onerous contracts and incurred claims liabilities are valued according to the general model. Liabilities for incurred claims are discounted if the expected settlement of claims takes place after one year from knowledge of the occurrence. In this case, the option of classifying the effect of changes in the discount rate in shareholders' equity is also applicable.

At each reporting date, the adjustment of liabilities in respect of the remaining coverage and incurred claims is recorded in the income statement.

The group applies the simplified approach to all property and casualty insurance products, and to a lesser extent to certain individual and collective health and protection products.

Main standard-setting options adopted by the group

Coverage unit for groups of insurance contracts

IFRS 17 defines the concept of a cover unit as a unit that represents the "volume of services [...] provided under the contracts". It specifies that the volume of services encompasses two aspects: the volume of benefits provided and the expected coverage period.

For each contract group, the group has determined a coverage unit to spread the contract service margin (CSM) over the various expected coverage periods, reflecting the quantity of benefits provided over these different periods.

For life and retirement savings contracts, the coverage unit used to amortize the CSM corresponds to the mathematical reserve associated with each contract, adjusted for the impact of the actual return on the underlying investments compared to the risk-neutral actuarial projection.

For creditor protection policies valued according to the general model, the coverage unit used to amortize the CSM corresponds to the sum insured.

Effect of rates neutralized in OCI

Financial income or financial expenses from insurance contracts issued will be presented separately between the income statement and shareholders' equity for those portfolios for which this breakdown is considered relevant, as permitted by the standard.

The group applies the option of neutralizing the effects of discount rates in shareholders' equity for personal protection contracts (borrower insurance, funeral insurance, long-term care insurance, etc.) and liabilities for claims arising from property-casualty contracts (personal accident insurance, means of payment, multi-risk property insurance, etc.).

Presentation in the balance sheet and income statement

Insurance contracts issued and reinsurance contracts held are presented in the balance sheet as assets or liabilities depending on the overall position of the portfolios to which they belong (including debts and receivables attributable to the valuation of the contract);

The various income and expense items from insurance and reinsurance contracts are broken down in the consolidated income statement under net revenue, in:

- insurance service result:
  - income from insurance and reinsurance contracts issued,
  - service charges related to insurance and reinsurance contracts issued, and
  - income and expenses related to reinsurance contracts held;
- insurance service financial result:
  - financial income and expenses from insurance and reinsurance contracts issued, and
  - financial income and expenses from reinsurance contracts held.

The income from insurance contracts shows the relaxation of execution flows for the amount expected over the period (excluding investment components), changes in the risk adjustment, the amortization of the contractual service margin in respect of services rendered, the amount allocated to the amortization of acquisition costs and experience differences on premiums;

Service expenses relating to insurance and reinsurance contracts issued, as well as expenses relating to reinsurance contracts held, then include the share of general operating expenses and commissions directly attributable to the execution of contracts, which will thus be recognized as a deduction of net revenue. They also include the initial loss component and its amortization in the case of a portfolio of loss-making contracts.

Retirement savings insurance contracts include an investment component in the form of a deposit paid by the policyholder and which the insurer is contractually obliged to reimburse even if the insured event does not occur. The inflows and outflows related to these deposits are neither revenue nor expenses associated with these contracts.

Financial income and expenses from insurance and reinsurance contracts mainly include changes in the value of groups of contracts related to the effects of the time value of money and financial risks not included in the estimated cash flows.

Financial income or financial expenses from insurance contracts issued will be presented separately in the income statement and in shareholders' equity for the portfolios concerned.

Processing of internal costs

As a banking and insurance conglomerate, the group distributes savings and protection products (borrower insurance, car insurance, home insurance, etc.) and provides the management resources necessary for the operations of its insurance subsidiaries.

The services provided by the banking networks (business contributions, administrative management of contracts, provision of staff or assets, etc.) are compensated by margin commissions based on agreements between the distributing credit institutions and the insurance subsidiaries.

The new model for measuring insurance contracts under IFRS 17 requires a projection in the contract execution cash flows of the acquisition and management costs that will be paid in the future and a presentation in the income statement of, on the one hand, the release of estimated costs for the period and, on the other hand, of the actual costs incurred by the banking dealer networks.

Pursuant to the recommendations of the ESMA (32-63-1320) and the AMF (DOC-2022-06), the group adjusts the internal margin on the balance sheet and the income statement in order to reflect the valuation of insurance contracts, according to IFRS 17, at the level of the Crédit Mutuel group.

Valuation of reinsurance treaties

Reinsurance held is treated in the same way as insurance contracts issued, either under the general model or the simplified model. The contractual service margin representing the expected gain or loss on reinsurance is negative, and contract performance flows include the reinsurer's risk of non-performance.

2.3 Non-financial instruments

2.3.1 Leases

A lease is an agreement whereby the lessor conveys to the lessee in return for a payment or a series of payments the right to use an asset for an agreed period of time.

A finance lease granted by the group is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset to the lessee. Ownership may or may not eventually be transferred.

An operating lease granted by the group represents any lease contract other than a finance lease.

2.3.1.1 Finance lease transactions – Lessor

In accordance with IFRS 16, finance lease transactions with non-group companies are reported in the consolidated balance sheet at their financial accounting amount. Finance leases transfer to the lessees virtually all the risks and rewards incidental to ownership of the leased asset.

And so, the analysis of the economic substance of the transaction results in:

- the leased asset exiting the balance sheet;
- the recognition of a receivable in "Financial assets at amortized cost", for a present value, at the implicit contract rates, of the rental payments to be received under the finance lease contract, increased by any residual value not guaranteed returning to the lessor;
- the recognition of deferred taxes for existing temporary differences throughout the life of the finance lease;
- the recognition as net interest margin, of net revenue from the lease, this being representative of the constant periodic rate of return on the amounts outstanding.

Credit risk related to financial receivables is measured and recognized under IFRS 9 (see section 2.1.8 "Measurement of credit risk").

2.3.1.2 Finance lease transactions – Lessee

In accordance with IFRS 16, usage rights are capitalized under "Property, plant and equipment", with a corresponding lease liability recognized under "Accruals and miscellaneous liabilities". Lease payments are allocated between interest expense and principal repayment.

2.3.2 Provisions

Provisions and reversals of provisions are classified by type under the corresponding item of income or expenditure.

A provision is recognized whenever it is probable that an outflow of resources representing economic benefits will be necessary to extinguish an obligation arising from a past event and when the amount of the obligation can be estimated accurately. The amount of this obligation is discounted, if applicable, to determine the amount of the provision.

The provisions constituted by the group cover, in particular:

- operational risks;
- social commitments;
- execution risk on signature commitments;
- litigation risk and guarantee commitments given;
- tax risks;
- risks related to mortgage saving agreements.

2.3.3 Employee benefits

Employee obligations are, where applicable, covered by a provision recorded under the line item “Provisions”. Any movements in this provision are recognized in the income statement under “Employee benefit expense” with the exception of the portion resulting from the revaluation of net liabilities arising from defined benefit plans, recognized in shareholders’ equity.

2.3.3.1 Post-employment benefits under a defined benefit plan

These comprise the pension plans, early pension plans and supplementary pension plans under which the group has a formal or implicit obligation to provide employees with predefined benefits.

These obligations are calculated using the projected unit credit method, which involves allocating entitlement to benefits to periods of service by applying the contractual formula for calculating plan benefits. Such entitlements are then discounted using demographic and financial assumptions such as:

- a discount rate, determined by reference to the long-term rate on private-sector borrowings consistent with the term of the commitments;
- the salary increase rate, assessed in accordance with age brackets, employee categories and regional characteristics;
- inflation rates, estimated by comparing French treasury bond rates and inflation-linked French treasury bond rates at different maturities;
- employee turnover rates, determined by age bracket, using the three-year average for the ratio of resignations and dismissals relative to the year-end number of employees under permanent contracts;
- retirement age: estimated on a case-by-case basis using the actual or estimated date of commencement of full-time employment and the assumptions set out in the law reforming pensions, with a ceiling set at 67 years of age;
- mortality according to the INSEE TH/TF 00-02 table.

Differences arising from changes in these assumptions and from discrepancies between prior assumptions and actual results constitute actuarial gains and losses. When the plan holds assets, they are measured at fair value, and the interest income they generate affects net income. The difference between the actual return and the interest income generated by these assets also constitutes an actuarial gain or loss.

Actuarial gains and losses are recognized as unrealized or deferred gains and losses and are recorded in equity. Any curtailments or terminations generate a change in the obligation, which is recognized in the income statement when it occurs.

In accordance with the IFRIC decision of April 20, 2021, the pension obligation under post-employment benefit plans, whose rights are capped on the basis of a number of years of service and subject to the presence of the employee on the date of retirement, is constituted solely over the period preceding the retirement age enabling the ceiling to be reached (or between the employee’s date of entry into the company and the date of retirement if this period is shorter than the ceiling).

2.3.3.2 Post-employment benefits under a defined contribution plan

Group entities contribute to various retirement plans managed by independent organizations, to which they have no formal or implicit obligation to make supplementary payments in the event, particularly, that the fund’s assets are insufficient to meet its commitments.

Since such plans do not represent a commitment for the group, they are not subject to a provision. The expenses are recognized in the fiscal year in which the contribution is due.

2.3.3.3 Other long-term benefits

These represent benefits other than post-employment benefits and termination benefits expected to be paid more than 12 months after the end of the fiscal year in which the staff rendered the corresponding service. They include, for example, long-service awards.

The group's commitment in respect of other long-term benefits is measured using the projected unit credit method. However, actuarial gains and losses are recognized immediately in income for the period.

Commitments in respect of long-service awards are sometimes covered by insurance contracts. A provision is set aside only for the portion of this obligation that is not covered.

2.3.3.4 Termination benefits

These are benefits granted by the group when an employment contract is terminated before the usual retirement age or following the employee’s decision to leave the group voluntarily in exchange for an indemnity.

The related provisions are discounted if payment is expected to take place more than 12 months after the reporting date.

2.3.3.5 Short-term benefits

These are benefits, other than termination benefits, payable within 12 months following the reporting date. They include salaries, social security contributions and certain bonuses.

A charge is recognized in respect of short-term benefits in the period in which the services giving rise to the entitlement to the benefit are provided to the entity.

2.3.4 Non-current assets

2.3.4.1 Non-current assets of which the group is owner

Non-current assets reported on the balance sheet include property, plant and equipment and intangible assets used in operations, as well as investment property. Operating assets are used for the purpose of providing services or for administrative purposes. Investment property is real estate holdings held to generate rental income and/or to increase the value of the invested capital. They are accounted for in the same manner as operating properties, using the historical cost method.

Non-current assets are recognized at their acquisition cost plus any costs directly attributable to and necessary for bringing them into working condition for use. They are subsequently measured at amortized historical cost, i.e. their cost less accumulated depreciation and any impairment.

When a non-current asset comprises several components likely to be replaced at regular intervals, with different uses or providing economic benefits over differing lengths of time, each component is recognized separately from the outset and is depreciated or amortized in accordance with its own depreciation schedule. The component-based approach has been adopted for operating and investment property.

The depreciable amount of a non-current asset is determined after deducting its net residual value from its acquisition cost. As the useful life of non-current assets is generally equal to their expected economic life, no residual value is recognized.

Non-current assets are depreciated over the asset's expected useful life for the company, based on its own estimated rate of consumption of the economic benefits. Intangible assets with an indefinite useful life are not amortized.

Depreciation and amortization charges on operating assets are recognized under "Movements in depreciation, amortization and provisions for operating assets" in the income statement.

Depreciation charges on investment property are recognized under "Expenses on other activities" in the income statement.

The following depreciation and amortization periods are used:

Property, plant and equipment:

- land and network improvements: 15-30 years;
- buildings – shell: 20-80 years (depending on the type of building);
- buildings – equipment: 10-40 years;
- fixtures and fittings: 5-15 years;
- office furniture and equipment: 5-10 years;
- safety equipment: 3-10 years;
- rolling stock: 3-5 years;
- IT equipment: 3-5 years.

Intangible assets:

- software purchased or developed in-house: 1-10 years;
- business goodwill acquired: 9-10 years (if customer contract portfolio acquired).

Depreciable non-current assets are tested for impairment when indicators of impairment are identified as of the reporting date. Non-amortizable intangible assets (such as lease rights prior to the first application of IFRS 16) are tested for impairment at least once a year.

If such an indication of impairment exists, the asset's recoverable amount is compared to its net carrying amount. In the event of impairment, an impairment loss is recognized in the income statement; this adjustment affects the asset's depreciable base prospectively. The impairment loss is reversed if there is a change in the estimate of the recoverable amount or if the indicators of impairment no longer exist. The net carrying amount after reversal of the impairment loss may not exceed the net carrying amount that would have been calculated had no impairment loss been recognized.

Impairment charges and reversals on operating assets are recognized under "Movements in depreciation, amortization and provisions for operating assets" in the income statement.

Impairment charges and reversals on investment property are recognized in the income statement under "Expenses on other activities" and "Income from other activities", respectively.

Capital gains or losses on disposals of operating assets are recorded in the income statement on the line "Net gains/(losses) on other assets".

Gains and losses on the disposal of investment property are recorded in the income statement on the line "Income from other activities" or "Expenses on other activities".

2.3.4.2 Non-current assets of which the group is lessee

For a contract to qualify as a lease, there must be both the identification of an asset and control by the lessee of the right to use said asset.

In respect of the lessee, operating leases and finance leases will be recorded in a single model, with recognition of:

- an asset representing the usage right for the leased property during the lease term;
- offset by a liability in respect of the lease payment obligation;
- straight-line depreciation of the asset and an interest expense in the income statement using the diminishing balance method.

The group mainly activates its real estate contracts. The motor fleet was only restated where it was locally significant and computer and safety equipment were not included due to the fact that they are replaceable, in accordance with the standard. Only a limited number of IT contracts deemed significant were activated.

Other underlying assets were precluded through short-term or low value exemptions (set at €5 thousand). The group has no leases that would give rise to the recognition of an intangible asset or an investment property.

Thus, usage rights are recorded under “Property, plant and equipment”, and lease liabilities under “Other liabilities”. Leasehold rights are reclassified as property, plant and equipment when they relate to contracts that are not automatically renewed. Usage rights and lease liabilities are subject to deferred tax assets or liabilities for the net amount of taxable and deductible temporary differences.

In the income statement, interest charges appear in “Interest margin” while depreciation/amortization is presented under the heading dedicated to general operating expenses.

For calculating the lease liability, we use:

- the lease term. This represents at least the non-cancellable period of the lease and may be extended to account for any renewal or extension option that the group is reasonably certain to exercise. In accordance with the operational implementation of the group’s methodology, any new 3/6/9 commercial lease will be capitalized over a nine-year term by default (or over a term equal to its non-cancellable period in the case of another type of lease). The term of any contract subject to tacit renewal will be extended until the end date of the medium-term plan, which represents a reasonable timeframe for the contract’s continuation[1]. In the exceptional case of 3/6/9 leases, the contract will be activated for a term of 12 years, as the group has no economic incentive to remain beyond that period, given that rent caps will be lifted after that time;
- the discount rate is the marginal rate of indebtedness corresponding to the chosen duration. It is a rate that can be amortized by each of the group’s refinancing centers and by currency;
- the lease payment, excluding taxes. The group is marginally affected by variable lease payments.

2.3.5 Commissions

The group recognizes commission income and expenses related to services rendered in its income statement based on the nature of the services to which they relate. Thus, commissions considered to be an interest supplement form an integral part of the effective interest rate. These commissions are therefore recognized as interest income and expense.

Fees and commissions linked directly to the grant of a loan are spread using the effective interest rate method.

Fees and commissions remunerating a service provided on a continuous basis are recognized over the period during which the service is provided.

Fees for one-off services are recognized in the income statement in full when the service is performed.

2.3.6 Income tax expense

The income tax expense includes all tax, both current and deferred, payable in respect of the income for the period under review.

The income tax payable is determined in accordance with applicable tax regulations.

The Territorial Economic Contribution (*Contribution économique territoriale* – CET), which is composed of the Business Real Estate Contribution (*Cotisation foncière des entreprises* – CFE) and the Business Contribution on Added Value (*Cotisation sur la valeur ajoutée des entreprises* – CVAE), is treated as an operating expense and, accordingly, the group does not recognize any deferred taxes in the consolidated financial statements.

2.3.6.1 Deferred tax

As required by IAS 12, deferred taxes are recognized in respect of temporary differences between the carrying amount of an asset or liability on the consolidated balance sheet and its taxable value, with the exception of goodwill.

Deferred taxes are calculated using the liability method, applying the income tax rate known at the end of the fiscal year and applicable to subsequent years.

Net deferred tax assets are recognized when it is highly probable that they will be utilized. Current or deferred tax is recognized as income or an expense, except for that relating to unrealized or deferred gains and losses recognized in equity, for which the deferred tax is allocated directly to equity.

Deferred tax assets and liabilities are netted if they arise in the same entity or in the same tax group, are subject to the same tax authority and when there is a legal right to do so.

Deferred tax is not discounted.

International Tax Reform – Pillar 2 Model Rules

The OECD’s Pillar 2 rules, taken up by Directive (EU) 2022/2523 and transposed in France by Article 33 of the 2024 Finance Act, are intended to establish a minimum level of worldwide taxation for multinational and large-scale national corporate groups in the European Union.

Under these rules, an additional tax would be payable if the effective tax rate under the OECD’s Global Anti-Base Erosion (GLoBe) rules by jurisdiction is less than 15%.

IAS 12 provides for a mandatory exemption from recognizing deferred taxes related to Pillar 2. The amount of the additional tax under Pillar 2 is reported as part of current income tax expense.

The work carried out by the group has made it possible to define the current scope of GLoBE–which, however, covers only a very limited number of jurisdictions–and to identify and measure the potential impacts that could result in the payment of additional taxes in certain jurisdictions. The impact of these tax rules on the group is immaterial.

2.3.6.2 Uncertainties over income tax treatment

In accordance with IFRIC 23, the group assesses the likelihood that the tax authorities will accept or reject a particular accounting treatment. It then determines the resulting effects on taxable income, tax bases, tax loss carryforwards, unused tax credits and rates of taxation.

[1] *Regional groups that directly manage the leases.*

In the event of an uncertain tax position, the amounts payable are estimated on the basis of the most likely amount or the expected amount according to the method that reflects the best estimate of the amount to be paid or received.

2.3.7 Interest paid by the State on certain loans

As part of measures to support the agricultural and rural sectors, as well as home purchases, certain entities within the group provide loans at reduced interest rates set by the government. Consequently, these entities receive a subsidy from the government equal to the difference between the interest rate offered to customers and a predefined benchmark rate. As a result, no discount is recognized on loans benefiting from these subsidies.

The arrangements governing this offset mechanism are periodically reviewed by the State.

The State subsidies received are recognized under “Interest and similar income” and allocated over the life of the corresponding loans, in accordance with IAS 20.

2.3.8 Non-current assets held for sale and discontinued operations

Non-current assets, or groups of assets, are classified as held for sale if they are available for sale and there is a high probability that their sale will take place within the next 12 months.

The related assets and liabilities are shown separately in the balance sheet, on the lines “Non-current assets held for sale” and “Debt related to non-current assets held for sale”. They are carried at the lower of their carrying amount and their fair value less costs to sell, and are no longer amortized.

Any impairment loss on such assets and liabilities is recognized in the income statement.

Discontinued operations consist of businesses held for sale or which have been discontinued, or subsidiaries acquired exclusively with a view to resale. They are presented on a separate line in the income statement under the heading “Gains and losses, net of taxes, on discontinued operations".

2.4 Judgments and estimates used in the preparation of the financial statements

The preparation of the group’s financial statements requires the formulation of assumptions in order to make the necessary assessments and involves risks and uncertainties concerning their realization in the future, particularly in the context of the Ukrainian and Middle East conflict and the macroeconomic conditions existing at the reporting date.

The future outcome of such assumptions may be influenced by several factors, in particular:

- the activities of national and international markets;
- fluctuations in interest rates and foreign exchange rates;
- economic and political conditions in certain business sectors or countries;
- climate and environmental change;
- regulatory and legislative changes.

Accounting estimates requiring the formulation of assumptions are mainly used for the measurement of the following:

- the fair value of financial instruments not listed on an active market, the definition of a forced transaction and the definition of observable data require the exercise of judgment;
- insurance contracts, in particular with regard to future execution cash flows;
- pension plans and other future employee benefits;
- impairment on assets, in particular expected credit losses (see section 2.1.8 “Measurement of credit risk”);
- provisions, impairment of intangible assets and goodwill;
- deferred tax assets.

3 Related-party information

Parties related to the group are companies consolidated at the level of the Crédit Mutuel Group as a whole, including the other establishments affiliated to the Confédération Nationale du Crédit Mutuel and equity consolidated companies.

Transactions carried out between the group and its subsidiaries and associates are carried out under normal market conditions, at the time these transactions are completed.

The list of consolidated companies is presented in note 3. As transactions carried out and outstandings that exist at the end of the period between the group’s consolidated companies are totally eliminated in consolidation, data pertaining to these reciprocal transactions is included in the attached tables only when concerning companies over which the group exercises joint control or significant influence, and is consolidated using the equity method.

4 Standards and interpretations adopted by the European Union and not yet applied

4.1 Standards and interpretations adopted by the European Union

New IFRS 18 standard – Presentation and Disclosure in Financial Statements

The European Union has adopted the new IFRS 18 standard – Presentation and Disclosures in Financial Statements, which will replace IAS 1 effective January 1, 2027.

This new standard largely incorporates the requirements of IAS 1. The new requirements will particularly concern the presentation of the income statement, the information presented in respect of the performance measures defined by management and the aggregation or disaggregation of the quantitative information presented in the financial statements.

The impacts for the Group are currently being assessed.

Note 2 Breakdown of the balance sheet and income statement by business line and geographic area

Crédit Mutuel Alliance Fédérale's business lines are as follows:

- Retail banking includes:
  - a) banking network activities: Crédit Mutuel local banks of the 14 federations, CIC regional banks, BECM, Beobank, TARGOBANK Corporate Banking and Oldenburgische Landesbank,
  - b) consumer finance: TARGOBANK and Cofidis,
  - c) business line subsidiaries: activities whose products are marketed by the network mainly include factoring and equipment leasing and real estate leasing;
- Insurance is composed of Groupe des Assurances du Crédit Mutuel;
- The specialized business lines are comprised of:
  - a) Asset management and private banking activities in France and abroad,
  - b) The Corporate and Institutional Banking (CIB) activity, which includes the activities presented above under:
    - corporate banking: financing for large corporate and institutional customers, structured financing, international business and foreign branches,
    - capital markets: commercial and investment activities (rates, equities and credit),
  - c) Private equity;
- The other business lines include items that cannot be assigned to another business activity, such as intermediate holding companies, non-controlling interests, operating real estate, logistics structures, press, IT entities and intercompany transactions.

The consolidated entities are fully allocated to their core business based on their contribution to the consolidated financial statements. Only three entities are exceptions due to their involvement in multiple business lines:

- CIC and BFCM: in this case, the contribution to the consolidated income statements and balance sheets of these two entities is broken down based on the different business sectors to which they contribute.
- TARGOBANK AG is structured around three activities in Germany: consumer finance, TARGOBANK Factoring and Equipment Finance for the banking network subsidiaries (factoring and leasing) and TARGOBANK Corporate Banking for the banking network.

2a Breakdown of the income statement by business line

06/30/2026	Retail banking	Insurance	Specialized business lines	Other business lines	Total
Net revenue	7,558	820	1,489	-66	9,801
General operating expenses	-4,616	-90	-816	-81	-5,603
Gross operating income	**2,942**	**730**	**673**	**-147**	**4,198**
Cost of counterparty risk	-1,185	0	-27	-1	-1,212
Net gains and losses on other assets[1]	-1	0	3	26	28
Income before tax	**1,757**	**730**	**649**	**-121**	**3,015**
Income tax	-534	-211	-119	-65	-930
Post-tax gains and losses on discontinued assets	0	0	0	0	0
Net income	**1,222**	**519**	**530**	**-187**	**2,085**
Non-controlling interests	-	-	-	-	87
GROUP NET INCOME	**-**	**-**	**-**	**-**	**1,998**

[1] Including net income of entities accounted for using the equity method and impairment losses on goodwill (notes 16 and 19).

06/30/2025	Retail banking	Insurance	Specialized business lines	Other business lines	Total
Net revenue	6,466	812	1,532	-42	8,768
General operating expenses	-4,200	-92	-792	57	-5,026
Gross operating income	**2,266**	**720**	**740**	**15**	**3,742**
Cost of counterparty risk	-921	0	19	0	-902
Net gains and losses on other assets[1]	3	0	0	20	23
Income before tax	**1,348**	**720**	**759**	**35**	**2,863**
Income tax	-453	-235	-180	-169	-1,037
Net income	**895**	**485**	**580**	**-134**	**1,826**
Non-controlling interests	-	-	-	-	90
GROUP NET INCOME	**-**	**-**	**-**	**-**	**1,736**

[1] Including net income of entities accounted for using the equity method and impairment losses on goodwill (notes 16 and 19).

BREAKDOWN OF "RETAIL BANKING" SEGMENT BUSINESS LINES

06/30/2026	Banking network	Consumer loans	Business line subsidiaries	Total Retail banking	of which retail banking in Germany
Net revenue	5,182	1,973	403	7,558	1,594
General operating expenses	-3,350	-1,018	-248	-4,616	-773
Gross operating income	**1,832**	**956**	**155**	**2,942**	**821**
Cost of counterparty risk	-529	-623	-33	-1,185	-449
Net gains and losses on other assets[1]	-1	0	1	-1	0
Income before tax	**1,302**	**333**	**122**	**1,757**	**371**
Income tax	-380	-113	-41	-534	-112
NET INCOME	**921**	**220**	**81**	**1,222**	**260**

(1) *Including net income of entities accounted for using the equity method and impairment losses on goodwill (notes 16 and 19).*

06/30/2025	Banking network	Consumer loans	Business line subsidiaries	Total Retail banking
Net revenue	4,345	1,764	357	6,466
General operating expenses	-3,038	-928	-234	-4,200
Gross operating income	**1,307**	**836**	**124**	**2,266**
Cost of counterparty risk	-387	-509	-25	-921
Net gains and losses on other assets[1]	2	1	0	3
Income before tax	**922**	**328**	**99**	**1,348**
Income tax	-314	-108	-30	-453
NET INCOME	**607**	**220**	**68**	**895**

(1) *Including net income of entities accounted for using the equity method and impairment losses on goodwill (notes 16 and 19).*

BREAKDOWN OF THE "SPECIALIZED BUSINESS LINES" SEGMENT BUSINESS LINES

06/30/2026	Asset management and private banking	Corporate and institutional banking	Private Equity	Total Specialized business lines
Net revenue	678	641	171	1,489
General operating expenses	-509	-261	-47	-816
Gross operating income	**169**	**380**	**124**	**673**
Cost of counterparty risk	-14	-13	0	-27
Net gains and losses on other assets[1]	3	0	0	3
Income before tax	**158**	**367**	**124**	**649**
Income tax	-37	-87	5	-119
Post-tax gains and losses on discontinued assets	0	0	0	0
NET INCOME	**121**	**280**	**129**	**530**

(1) *Including net income of entities accounted for using the equity method and impairment losses on goodwill (notes 16 and 19).*

Since January 1, 2026, CIC Corporate & Institutional Banking (CIC CIB) has brought together all of Crédit Mutuel Alliance Fédérale's corporate banking and capital markets activities (commercial and investment activities) under a common brand.

06/30/2025	Asset management and private banking	Corporate banking	Capital Markets	Private Equity	Total Specialized business lines
Net revenue	667	323	331	211	1,532
General operating expenses	-498	-96	-150	-47	-792
Gross operating income	**169**	**226**	**182**	**164**	**740**
Cost of counterparty risk	7	15	-2	0	19
Net gains and losses on other assets[1]	0	0	0	0	0
Income before tax	**175**	**241**	**179**	**164**	**759**
Income tax	-47	-83	-55	6	-180
NET INCOME	**129**	**158**	**124**	**169**	**580**

(1) *Including net income of entities accounted for using the equity method and impairment losses on goodwill (notes 16 and 19).*

2b Breakdown of income statement by geographic area

	06/30/2026				06/30/2025			
	France	Europe outside France	Other countries[1]	Total	France	Europe outside France	Other countries[1]	Total
Net revenue[2]	7,007	2,622	173	9,801	6,542	2,059	168	8,768
General operating expenses	-4,071	-1,475	-58	-5,603	-3,806	-1,162	-58	-5,026
Gross operating income	**2,936**	**1,147**	**115**	**4,198**	**2,735**	**896**	**110**	**3,742**
Cost of counterparty risk	-593	-621	2	-1,212	-509	-386	-6	-902
Net gains and losses on other assets[3]	13	4	11	28	12	0	11	23
Income before tax	**2,355**	**531**	**129**	**3,015**	**2,237**	**510**	**115**	**2,863**
Total net income	1,618	359	108	2,085	1,373	362	93	1,829
Group net income	**1,539**	**352**	**106**	**1,998**	**1,291**	**353**	**91**	**1,736**

(1) *United States, Canada, South Korea, Singapore, Hong Kong and Tunisia.*
(2) *24.2% of net revenue (excluding logistics and holding) was generated overseas in the first half of 2026 (compared with 25.2% of net revenue in the first half of 2025).*
(3) *Including net income of entities accounted for using the equity method and impairment losses on goodwill*

Note 3 Consolidation scope

3a Composition of the scope of consolidation

In line with the opinion of the French Banking Commission, the group's parent company is made up of the companies included within the scope of globalization. The entities that make it up are:

- Caisse Fédérale de Crédit Mutuel (CF de CM);
- the federations of Crédit Mutuel Centre Est Europe (FCMCEE), Sud-Est (FCMSE), Île-de-France (FCMIDF), Savoie-Mont Blanc (FCMSMB), Midi-Atlantique (FCMMA), Loire-Atlantique Centre Ouest (FCMLACO), Centre (FCMC), Dauphiné-Vivarais (FCMDV), Méditerranéen (FCMM), Normandie (FCMN), Anjou (FCMA), Massif Central (FCMMC), Antilles-Guyane (FCMAG) and Nord Europe (FCMNE);
- the regional banks of Crédit Mutuel du Sud-Est (CRCMSE), Île-de-France (CRCMIDF), Savoie-Mont Blanc (CRCMSMB), Midi-Atlantique (CRCMMA), Loire-Atlantique Centre Ouest (CRCMLACO), Centre (CRCMC), Dauphiné-Vivarais (CRCMDV), Méditerranéen (CRCMM), Normandie (CRCMN), Anjou (CRCMA), Massif Central (CRCMMC), Antilles-Guyane (CRCMAG) and Nord Europe (CRCMNE);
- Crédit Mutuel local banks that are members of the federations of Crédit Mutuel Centre Est Europe, Sud-Est, Île-de-France, Savoie-Mont Blanc, Midi-Atlantique, Loire-Atlantique Centre Ouest, Centre, Dauphiné-Vivarais, Méditerranéen, Normandie, Anjou, Massif Central, Antilles-Guyane and Nord Europe.

Since December 31, 2025, the changes in the scope of consolidation are as follows:

- additions: Oldenburgische Landesbank AG (OLB), Weser Funding SA, CLUBIC, Transatlantique Private Wealth LLC
- merger: TUP of the Groupe Républicain Lorrain Imprimeries (GRLI) with EBRA
- liquidations: N/A
- disposal: N/A.

		06/30/2026			12/31/2025		
	Country	Percentage Control	Percentage Interest	Method*	Percentage Control	Percentage Interest	Method*
A. BANKING NETWORK							
Banque Européenne du Crédit Mutuel (BECM)	France	100	98	FC	100	98	FC
Beobank	Belgium	100	99	FC	100	99	FC
CIC Est	France	100	98	FC	100	98	FC
CIC Lyonnaise de Banque (LB)	France	100	98	FC	100	98	FC
CIC Lyonnaise de Banque Monaco (CIC LB branch)	Monaco	100	98	FC	100	98	FC
CIC Nord Ouest	France	100	98	FC	100	98	FC
CIC Ouest	France	100	98	FC	100	98	FC
CIC Sud Ouest	France	100	98	FC	100	98	FC
Crédit Industriel et Commercial (CIC)	France	100	98	FC	100	98	FC
Oldenburgische Landesbank AG	Germany	100	98	FC	0	0	NC
B. CONSUMER LOANS							
Cofidis Belgium	Belgium	100	98	FC	100	98	FC
Cofidis France	France	100	98	FC	100	98	FC
Cofidis Spain (branch of Cofidis France)	Spain	100	98	FC	100	98	FC
Cofidis Hungary (branch of Cofidis France)	Hungary	100	98	FC	100	98	FC
Cofidis Portugal (branch of Cofidis France)	Portugal	100	98	FC	100	98	FC
Cofidis SA Poland (branch of Cofidis France)	Poland	100	98	FC	100	98	FC
Cofidis SA Slovakia (branch of Cofidis France)	Slovakia	100	98	FC	100	98	FC
Cofidis Italy (branch of Cofidis France)	Italy	100	98	FC	100	98	FC
Cofidis Czech Republic	Czech Republic	100	98	FC	100	98	FC
Creatis	France	100	98	FC	100	98	FC
MCB (Magyar Cetelem Bank Zrt.)	Hungary	100	98	FC	100	98	FC
Monabanq	France	100	98	FC	100	98	FC
Margem-Mediação Seguros, Lda	Portugal	100	98	FC	100	98	FC
TARGOBANK AG	Germany	100	98	FC	100	98	FC
C. BANKING NETWORK SUBSIDIARIES							
Bail Actéa	France	100	98	FC	100	98	FC
Bail Actéa Immobilier	France	100	98	FC	100	98	FC
CCLS Leasing Solutions	France	100	98	FC	100	98	FC

		06/30/2026			12/31/2025		
	Country	Percentage Control	Percentage Interest	Method*	Percentage Control	Percentage Interest	Method*
Crédit Mutuel Caution Habitat	France	100	98	FC	100	98	FC
Crédit Mutuel Factoring	France	100	98	FC	100	98	FC
Crédit Mutuel Home Loan SFH	France	100	98	FC	100	98	FC
Crédit Mutuel Immobilier	France	100	98	FC	100	98	FC
Crédit Mutuel Leasing	France	100	98	FC	100	98	FC
Crédit Mutuel Leasing Spain (branch of Crédit Mutuel Leasing)	Spain	100	98	FC	100	98	FC
Crédit Mutuel Leasing Benelux	Belgium	100	98	FC	100	98	FC
Crédit Mutuel Leasing Nederland (branch of Crédit Mutuel Leasing Benelux)	The Netherlands	100	98	FC	100	98	FC
Crédit Mutuel Leasing Gmbh	Germany	100	98	FC	100	98	FC
Crédit Mutuel Real Estate Lease	France	100	98	FC	100	98	FC
Factofrance	France	100	98	FC	100	98	FC
FCT Crédit Mutuel Factoring	France	100	98	FC	100	98	FC
FCT Factofrance	France	100	98	FC	100	98	FC
Gesteurop	France	100	98	FC	100	98	FC
LYF SA	France	46	45	EM	46	45	EM
Paysurf	France	100	94	FC	100	94	FC
Targo Factoring GmbH	Germany	100	98	FC	100	98	FC
Targo Finanzberatung GmbH	Germany	100	98	FC	100	98	FC
Targo Leasing GmbH	Germany	100	98	FC	100	98	FC
Targo Versicherungsvermittlung Gmbh	Germany	100	98	FC	100	98	FC
Weser Funding S.A.	Luxembourg	100	98	FC	0	0	NC
D. CORPORATE BANKING AND CAPITAL MARKETS							
Caroline 1	France	100	98	FC	100	98	FC
CIC Bruxelles (branch of CIC)	Belgium	100	98	FC	100	98	FC
CIC Hong Kong (branch of CIC)	Hong Kong	100	98	FC	100	98	FC
CIC London (branch of CIC)	United Kingdom	100	98	FC	100	98	FC
CIC New York (branch of CIC)	USA	100	98	FC	100	98	FC
CIC Singapore (branch of CIC)	Singapore	100	98	FC	100	98	FC
Satellite	France	100	98	FC	100	98	FC
E. ASSET MANAGEMENT AND PRIVATE BANKING							
Banque de Luxembourg	Luxembourg	100	98	FC	100	98	FC
Banque de Luxembourg Belgique (Banque de Luxembourg branch)	Belgium	100	98	FC	100	98	FC
Banque de Luxembourg Investments SA (BLI)	Luxembourg	100	98	FC	100	98	FC
Banque Transatlantique (BT)	France	100	98	FC	100	98	FC
Banque Transatlantique Belgium	Belgium	100	98	FC	100	98	FC
Banque Transatlantique London (branch of BT)	United Kingdom	100	98	FC	100	98	FC
Banque Transatlantique Luxembourg	Luxembourg	100	98	FC	100	98	FC
CIC Private debt	France	100	99	FC	100	99	FC
CIC (Suisse)	Switzerland	100	98	FC	100	98	FC
Cigogne Management	Luxembourg	100	99	FC	100	99	FC
Crédit Mutuel Asset Management	France	100	99	FC	100	99	FC
Crédit Mutuel Épargne Salariale	France	100	89	FC	100	90	FC
Crédit Mutuel Gestion	France	100	99	FC	100	99	FC
Crédit Mutuel Impact	France	100	99	FC	100	99	FC
Dubly Transatlantique Gestion	France	100	98	FC	100	98	FC
La Française Group	France	100	99	FC	100	99	FC
La Française Finance Services (LFFS)	France	100	99	FC	100	99	FC

	Country	06/30/2026 Percentage Control	06/30/2026 Percentage Interest	06/30/2026 Method*	12/31/2025 Percentage Control	12/31/2025 Percentage Interest	12/31/2025 Method*
La Française Finance Services Luxembourg branch (branch of LFFS)	Luxembourg	100	99	FC	100	99	FC
La Française Finance Services Italian branch (branch of LFFS)	Italy	100	99	FC	100	99	FC
La Française Finance Services branch in Spain (branch of LFFS)	Spain	100	99	FC	100	99	FC
La Française Group Korea Limited	South Korea	100	99	FC	100	99	FC
La Française Group UK Finance Limited	Great Britain	100	99	FC	100	99	FC
La Française Group UK Limited	Great Britain	100	99	FC	100	99	FC
Française Group UK Limited Germany (branch of LFG UK Limited)	Germany	100	99	FC	100	99	FC
La Française Group Singapore PTE Limited	Singapore	100	99	FC	100	99	FC
La Française Real Estate Managers	France	100	99	FC	100	99	FC
La Française Systematic Asset Management GmbH	Germany	100	99	FC	100	99	FC
LFP Multi Alpha	France	100	99	FC	100	99	FC
New Alpha Asset Management	France	67	66	FC	67	66	FC
Transatlantique private wealth LLC	USA	100	98	FC	0	0	NC
F. PRIVATE EQUITY							
CIC Capital Belgium	Belgium	100	98	FC	100	98	FC
CIC Capital Canada Inc.	Canada	100	98	FC	100	98	FC
CIC Capital Deutschland Gmbh	Germany	100	98	FC	100	98	FC
CIC Capital Schweitz SA	Switzerland	100	98	FC	100	98	FC
CIC Conseil	France	100	98	FC	100	98	FC
Crédit Mutuel Capital	France	100	98	FC	100	98	FC
Crédit Mutuel Equity	France	100	98	FC	100	98	FC
Crédit Mutuel Equity SCR	France	100	98	FC	100	98	FC
Crédit Mutuel Innovation	France	100	98	FC	100	98	FC
G. OTHER BUSINESS LINES							
2SF Société des services fiduciaires	France	33	30	EM	33	30	EM
Actéa Environnement	France	100	100	FC	100	100	FC
Affiches d'Alsace Lorraine	France	100	97	FC	100	97	FC
Alsacienne de Portage - DNA	France	100	97	FC	100	97	FC
Banque de Tunisie	Tunisia	35	35	EM	35	35	EM
Banque Fédérative du Crédit Mutuel (BFCM)	France	98	98	FC	98	98	FC
Caisse Centrale du Crédit Mutuel	France	62	66	EM	62	66	EM
Carizy	France	100	98	FC	100	98	FC
Centre de conseil et de service (CCS)	France	100	100	FC	100	100	FC
CIC Participations	France	100	98	FC	100	98	FC
Clubic	France	100	98	FC	0	0	NC
Cofidis Group	France	100	98	FC	100	98	FC
Crédit Mutuel Titres	France	81	84	FC	81	84	FC
EBRA	France	100	98	FC	100	98	FC
EBRA Academie	France	100	98	FC	100	98	FC
EBRA Editions	France	100	98	FC	100	98	FC
EBRA Events	France	100	98	FC	100	98	FC
EBRA Info	France	100	98	FC	100	98	FC
EBRA Medias	France	100	98	FC	100	98	FC
EBRA Medias Bourgogne Rhone-Alpes	France	100	98	FC	100	98	FC
EBRA Medias Lorraine Franche Comté	France	100	98	FC	100	98	FC
EBRA Portage Bourgogne Rhone-Alpes	France	100	98	FC	100	98	FC
EBRA Portage Dauphiné Savoie	France	100	98	FC	100	98	FC
EBRA Productions	France	100	98	FC	100	98	FC

	Country	06/30/2026			12/31/2025		
		Percentage Control	Percentage Interest	Method*	Percentage Control	Percentage Interest	Method*
EBRA services	France	100	98	FC	100	98	FC
EBRA Studio	France	100	98	FC	100	98	FC
EIP	France	100	100	FC	100	100	FC
Est Bourgogne Médias	France	100	98	FC	100	98	FC
Euro-Automatic Cash	Spain	50	45	EM	50	45	EM
Euro Protection Surveillance	France	89	82	FC	89	82	FC
Euro Protection Surveillance Belgique (branch of EPS)	Belgium	100	82	FC	100	82	FC
Euro-Information	France	90	90	FC	90	90	FC
Euro-Information Développement	France	100	90	FC	100	90	FC
Euro-Information Services	France	100	90	FC	100	90	FC
Euro TVS	France	100	91	FC	100	91	FC
Foncière Massena	France	100	88	FC	100	88	FC
Foncière Massena Belgium (Foncière Massena branch)	Belgium	100	88	FC	100	88	FC
Fonds Révolution Environnementale et Solidaire	France	100	93	FC	100	93	FC
France Régie	France	100	98	FC	100	98	FC
GEIE Synergie	France	100	98	FC	100	98	FC
Gens d'Évènement	France	70	69	FC	70	69	FC
GIE CMN Prestations	France	100	100	FC	100	100	FC
Groupe Progrès	France	100	98	FC	100	98	FC
Groupe Républicain Lorrain Imprimeries (GRLI)	France	0	0	ME	100	98	FC
Humanoid	France	100	80	FC	100	80	FC
Immo CMM	France	100	100	FC	100	100	FC
Immobilière BCL Lille	France	55	55	FC	55	55	FC
Journal de la Haute Marne	France	50	49	EM	50	49	EM
KCIOP	France	100	98	FC	100	98	FC
La Liberté de l'Est	France	100	98	FC	100	98	FC
La Tribune	France	100	98	FC	100	98	FC
Le Dauphiné Libéré	France	100	98	FC	100	98	FC
Le Républicain Lorrain	France	100	98	FC	100	98	FC
Lemon Start	France	100	80	FC	100	80	FC
Les Dernières Nouvelles d'Alsace	France	99	97	FC	99	97	FC
L'Est Républicain	France	100	98	FC	100	98	FC
L'immobilère du CMN	France	100	100	FC	100	100	FC
Loire Evénement Organisation	France	55	54	FC	55	54	FC
Lumedia	Luxembourg	50	49	EM	50	49	EM
Lyf SAS	France	50	45	EM	50	45	EM
Media des massifs français	France	68	67	FC	68	67	FC
Médiaportage	France	100	98	FC	100	98	FC
Mutuelles Investissement	France	100	98	FC	100	98	FC
Nord Europe Participations et Investissements	France	100	100	FC	100	100	FC
Oddity H.	France	81	80	FC	81	80	FC
Presstic Numerama	France	100	80	FC	100	80	FC
PRO EXPO Services	France	100	54	FC	100	54	FC
RES 1	France	100	93	FC	100	93	FC
RES 2	France	100	93	FC	100	93	FC
SAP Alsace	France	100	98	FC	100	98	FC
SCI 14 Rue de Londres	France	100	88	FC	100	88	FC
SCI ACM	France	100	88	FC	100	88	FC
SCI Centre Gare	France	100	100	FC	100	100	FC

		06/30/2026			12/31/2025		
	Country	Percentage Control	Percentage Interest	Method*	Percentage Control	Percentage Interest	Method*
SCI CMN	France	100	100	FC	100	100	FC
SCI CMN Locations	France	100	100	FC	100	100	FC
SCI CMN1	France	100	100	FC	100	100	FC
SCI CMN2	France	100	100	FC	100	100	FC
SCI CMN3	France	100	100	FC	100	100	FC
SCI La Tréflière	France	100	99	FC	100	99	FC
SCI Le Progrès Confluence	France	100	98	FC	100	98	FC
SCI Provence Lafayette	France	100	88	FC	100	88	FC
SCI Richebé Inkerman	France	100	100	FC	100	100	FC
SCI Saint Augustin	France	100	88	FC	100	88	FC
SFINE Bureaux	France	100	100	FC	100	100	FC
SFINE Propriété à vie	France	100	100	FC	100	100	FC
Société d'Édition de l'Hebdomadaire du Louhannais et du Jura (SEHLJ)	France	100	98	FC	100	98	FC
Société Foncière et Immobilière Nord Europe	France	100	100	FC	100	100	FC
Sofedis	France	100	99	FC	100	99	FC
Targo Deutschland GmbH	Germany	100	98	FC	100	98	FC
Targo Dienstleistungs GmbH	Germany	100	98	FC	100	98	FC
Targo Technology GmbH	Germany	100	98	FC	100	98	FC
Transactimmo	France	100	100	FC	100	100	FC
H. INSURANCE COMPANIES							
ACM Belgium Life SA (formerly NELB)	Belgium	100	88	FC	100	88	FC
ACM Capital	France	100	88	FC	100	88	FC
ACM Lebensversicherung AG	Germany	100	93	FC	100	93	FC
ACM Versicherung AG	Germany	100	93	FC	100	93	FC
ACM Deutschland AG	Germany	100	93	FC	100	93	FC
ACM GIE	France	100	88	FC	100	88	FC
ACM IARD	France	100	88	FC	97	85	FC
ACM Vie SA	France	100	88	FC	100	88	FC
ACM Vie, Société d'Assurance Mutuelle	France	100	100	FC	100	100	FC
Groupe des Assurances du Crédit Mutuel (GACM)	France	89	88	FC	90	88	FC

* *Method: FC = Full Consolidation; EM = Equity Method; NC = Not Consolidated; ME = Merged*

3b Fully consolidated entities with significant non-controlling interests

	Percentage of non-controlling interests in the consolidated financial statements				Financial information regarding fully-consolidated entities[1]			
06/30/2026	Percentage of interest/ Percentage of voting rights	Net income attributable to non-controlling interests	Amount in shareholders' equity of non-controlling interests	Dividends paid to non-controlling interests	Balance sheet total	Net income	Undisclosed reserves	Net revenue
Euro-Information	10%	3	247	0	2,946	39	0	1,026
Groupe des Assurances du Crédit Mutuel (GACM)	12%	61	1,066	-38	144,899	483	947	760

[1] *Amounts before elimination of intercompany balances and transactions.*

	Percentage of non-controlling interests in the consolidated financial statements				Financial information regarding fully-consolidated entities[1]			
12/31/2025	Percentage of interest/ Percentage of voting rights	Net income attributable to non-controlling interests	Amount in shareholders' equity of non-controlling interests	Dividends paid to non-controlling interests	Balance sheet total	Net income	Undisclosed reserves	Net revenue
Euro-Information	10%	9	237	0	2,845	115	0	1,963
Groupe des Assurances du Crédit Mutuel (GACM)	12%	118	983	-37	137,241	942	898	1,443

[1] *Amounts before elimination of intercompany balances and transactions.*

Note 4 Cash and central banks (assets/liabilities)

	06/30/2026	12/31/2025
Cash, central banks – asset		
Central banks	74,405	73,235
of which mandatory reserves	4,431	2,689
Local bank	636	868
TOTAL	**75,041**	**74,103**
Central banks – liability	**9**	**12**

Note 5 Financial assets and liabilities at fair value through profit or loss

5a Financial assets at fair value through profit or loss

	06/30/2026				12/31/2025			
	Transaction	Fair value option	Other FVPL	Total	Transaction	Fair value option	Other FVPL	Total
Securities	**14,716**	**623**	**7,395**	**22,734**	**11,373**	**609**	**7,497**	**19,479**
■ Government securities	888	0	0	888	662	0	0	662
■ Bonds and other debt securities	10,847	623	890	12,360	9,028	609	918	10,555
Listed	10,847	0	296	11,143	9,028	0	288	9,316
Non-listed	0	623	594	1,217	0	609	630	1,239
of which UCIs	0	0	547	547	0	0	560	560
■ Shares and other capital instruments	2,981	0	5,007	7,988	1,683	0	5,056	6,739
Listed	2,981	0	1,247	4,228	1,683	0	1,394	3,077
Non-listed	0	0	3,760	3,760	0	0	3,662	3,662
■ Long-term investments	0	0	1,498	1,498	0	0	1,523	1,523
Equity investments	0	0	395	395	0	0	383	383
Other long-term investments	0	0	66	66	0	0	89	89
Investments in subsidiaries and associates	0	0	1,011	1,011	0	0	1,025	1,025
Other long-term investments	0	0	26	26	0	0	26	26
Derivative instruments	**7,098**	**0**		**7,098**	**6,138**	**0**	**0**	**6,138**
Loans and receivables	**18,274**	**0**	**15**	**18,289**	**11,797**	**0**	**14**	**11,811**
of which pensions	18,274	0		18,274	11,797	0	0	11,797
Other assets classified as FVPL	**0**	**0**	**93**	**93**	**0**	**0**	**60**	**60**
TOTAL	**40,088**	**623**	**7,503**	**48,214**	**29,308**	**609**	**7,571**	**37,488**

5b Financial liabilities at fair value through profit or loss

	06/30/2026	12/31/2025
Financial liabilities held for trading	27,627	18,604
Financial liabilities at fair value through profit or loss on option	5,921	3,082
TOTAL	**33,548**	**21,686**

FINANCIAL LIABILITIES HELD FOR TRADING

	06/30/2026	12/31/2025
Short sales of securities	1,666	931
■ Bonds and other debt securities	625	52
■ Shares and other capital instruments	1,041	879
Debts in respect of securities sold under repurchase agreements	19,276	11,282
Trading derivatives	6,662	5,783
Other financial liabilities held for trading	23	608
TOTAL	**27,627**	**18,604**

FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS ON OPTION

	06/30/2026			12/31/2025		
	Carrying amount	Amount due	Difference	Carrying amount	Amount due	Difference
Issued Securities	5,457	5,458	-1	2,733	2,733	0
Interbank debt	35	35	0	47	47	0
Due to customers	429	429	0	302	302	0
TOTAL	**5,921**	**5,922**	**-1**	**3,082**	**3,082**	**0**

5c Analysis of trading derivatives

	06/30/2026			12/31/2025		
	Notional amount	Assets	Liabilities	Notional amount	Assets	Liabilities
Rate instruments	220,693	5,262	5,100	183,105	4,440	4,280
Swaps	189,150	4,495	4,974	149,312	3,881	4,051
Other firm contracts	0	0	0	0	0	0
Options and conditional instruments	31,543	767	126	33,793	559	229
Foreign exchange instruments	168,051	1,489	1,300	165,469	1,412	1,268
Swaps	95,835	46	31	94,332	25	17
Other firm contracts	15,037	1,164	991	13,909	1,096	960
Options and conditional instruments	57,179	279	278	57,228	291	291
Other derivatives	24,502	347	262	19,909	286	235
Swaps	5,962	82	93	5,355	101	109
Other firm contracts	13,215	150	118	9,414	96	89
Options and conditional instruments	5,325	115	51	5,140	89	37
TOTAL	**413,246**	**7,098**	**6,662**	**368,483**	**6,138**	**5,783**

Derivatives are discounted in line with the rate of return on the collateral to which they relate:

- *If the derivative is cleared in CCP (LCH or Eurex): the RFR yield curve of the corresponding currency defined by the CCP. The valuation of EUR derivatives cleared through Eurex takes into account the LCH/Eurex basis;*
- *If the derivative remained bilateral (bank counterparty): almost exclusively Ester discount curve (as the CSA or ARG almost exclusively provide for the exchange of collateral in EUR);*
- *If the derivative is not collateralized (in the case of customers): Euribor discount curve.*

The difference resulting from the use of different valuation curves for the hedged items and the hedging instruments is accounted for as hedge ineffectiveness. In addition, the value of derivatives takes counterparty risk into account.

Note 6 Hedging

6a Hedging derivatives

	06/30/2026			12/31/2025		
	Notional amount	Assets	Liabilities	Notional amount	Assets	Liabilities
Fair Value Hedges	345,601	545	1,072	309,593	670	1,090
Swaps	345,601	545	1,072	309,592	670	1,090
Other firm contracts	0	0	0	0	0	0
Options and conditional instruments	0	0	0	1	0	0
Cash Flow Hedging	286	283	239	0	0	0
Swaps	286	283	239	0	0	0
Other firm contracts	0	0	0	0	0	0
Options and conditional instruments	0	0	0	0	0	0
TOTAL	**345,887**	**828**	**1,311**	**309,593**	**670**	**1,090**

Derivatives are discounted in line with the rate of return on the collateral to which they relate:

- *If the derivative is cleared in CCP (LCH or Eurex): the RFR yield curve of the corresponding currency defined by the CCP. The valuation of EUR derivatives cleared through Eurex takes into account the LCH/Eurex basis;*
- *If the derivative remained bilateral (bank counterparty): almost exclusively Ester discount curve (as the CSA or ARG almost exclusively provide for the exchange of collateral in EUR);*
- *If the derivative is not collateralized (in the case of customers): Euribor discount curve.*

The difference resulting from the use of different valuation curves for the hedged items and the hedging instruments is accounted for as hedge ineffectiveness. In addition, the value of derivatives takes counterparty risk into account.

6b Revaluation adjustment on rate-hedged books

	06/30/2026	12/31/2025
FAIR VALUE OF PORTFOLIO INTEREST RATE RISK		
■ in financial assets	-1,582	-1,607
■ in financial liabilities	-24	-17

Note 7 Financial assets at fair value through equity

	06/30/2026	12/31/2025
Government securities	19,503	15,447
Bonds and other debt securities	37,249	30,337
■ Listed	34,333	29,284
■ Non-listed	2,916	1,054
Related receivables	377	326
Debt securities subtotal, gross	**57,129**	**46,110**
Of which impaired debt securities (S3)	20	20
Impairment of performing loans (S1/S2)	-21	-20
Other impairment (S3)	-11	-11
Debt securities subtotal, net	**57,097**	**46,080**
Shares and other capital instruments	121	126
■ Listed	0	0
■ Non-listed	121	126
Long-term investments	667	603
■ Equity investments	90	87
■ Other long-term investments	538	476
■ Investments in subsidiaries and associates	39	40
Subtotal, equity instruments	**788**	**729**
TOTAL	**57,886**	**46,808**
of which unrealized capital gains or losses recognized under equity	-73	-123
of which listed equity investments	0	0

Note 8 Fair value hierarchy of financial instruments carried at fair value on the balance sheet

06/30/2026	Level 1	Level 2	Level 3	Total
FINANCIAL ASSETS IFRS 9 – EXCLUDING INSURANCE				
Fair value through equity	**43,241**	**13,896**	**748**	**57,886**
Government and equivalent securities	19,486	127	20	19,633
Bonds and other debt securities	23,695	13,769	0	37,464
Shares and other capital instruments	0	0	121	121
Investments and other long-term securities	59	0	569	628
Investments in subsidiaries and associates	0	0	39	39
EC Loans and Receivables - FVTPL	0	0	0	0
Customer loans and receivables - FVTPL	0	0	0	0
Trading/Fair value option/Other	**7,344**	**34,406**	**6,464**	**48,214**
Government securities and similar instruments – Trading	818	43	27	888
Government securities and similar instruments – Fair value option	0	0	0	0
Government securities and similar instruments – Other FVPL	0	0	0	0
Bonds and other debt securities – Trading	3,597	7,002	248	10,847
Bonds and other debt securities – Fair value option	0	0	623	623
Bonds and other debt securities – Other FVPL	290	561	39	890
Shares and other equity instruments – Trading	1,318	1,651	11	2,981
Shares and other equity instruments – Other FVPL[1]	1,247	2	3,758	5,007
Investments and other long-term securities – Other FVPL	1	1	459	461
Investments in subsidiaries and associates – Other FVPL	0	0	1,037	1,037
Loans and receivables due from credit institutions – Fair value option	0	0	0	0
Loans and receivables due from credit institutions - Other FVPL	0	0	0	0
Loans and receivables due from customers – Other FVPL	0	18,274	0	18,274
Loans and receivables due from customers – Trading	0	15	0	15
Loans and receivables due from customers – Fair value option	0	0	0	0
Derivatives and other financial assets – Trading	73	6,796	229	7,098
Other assets classified at FVPL	0	60	33	93
Hedging derivatives	**0**	**828**	**0**	**828**
TOTAL	**50,585**	**49,130**	**7,212**	**106,927**
FINANCIAL ASSETS IFRS 9 – INVESTMENTS OF INSURANCE ACTIVITIES				
Fair value through equity	**81,001**	**4,589**	**1,994**	**87,583**
Government and equivalent securities	37,525	173	0	37,698
Bonds and other debt securities	40,874	680	0	41,554
Shares and other capital instruments	1,491	19	0	1,509
Investments and other long-term securities	1,112	0	1,994	3,106
Investments in subsidiaries and associates	0	0	0	0
EC Loans and Receivables - FVTPL	0	3,716	0	3,716
Trading/Fair value option/Other	**48,425**	**12,970**	**0**	**61,395**
Government securities and similar instruments – Trading	0	0	0	0
Government securities and similar instruments – Fair value option	0	0	0	0
Government securities and similar instruments – Other FVPL	178	8	0	185
Bonds and other debt securities – Trading	0	0	0	0
Bonds and other debt securities – Fair value option	0	0	0	0
Bonds and other debt securities – Other FVPL	31,033	4,937	0	35,971
Shares and other equity instruments – Trading	0	0	0	0
Loans and receivables due from customers – Fair value option	17,214	7,520	0	24,734
Loans and receivables due from customers – Trading	0	165	0	165
Loans and receivables due from customers – Other FVPL	0	0	0	0
Derivatives and other financial assets – Trading	0	0	0	0

06/30/2026	Level 1	Level 2	Level 3	Total
Other assets classified at FVPL	0	340	0	340
Hedging derivatives	**0**	**0**	**0**	**0**
Non-operating properties OFVPL	**0**	**2,667**	**0**	**2,667**
TOTAL	**129,426**	**20,225**	**1,994**	**151,645**
FINANCIAL LIABILITIES IFRS 9				
Trading/Fair value option	**1,694**	**31,559**	**295**	**33,548**
Due to credit institutions – Fair value option	0	35	0	35
Due to customers – Fair value option	0	429	0	429
Debt securities – Fair value option	0	5,457	0	5,457
Subordinated debt – Fair value option	0	0	0	0
Debt – Trading	0	19,276	0	19,276
Derivatives and other financial liabilities - Trading	1,694	6,362	295	8,351
Hedging derivatives	1	1,310	0	1,311
TOTAL	**1,695**	**32,869**	**295**	**34,859**

[1] Includes the equity investments held by the group's private equity companies.

- level 1: price quoted in an active market;
- level 2: prices quoted in active markets for similar instruments and valuation method in which all significant inputs are based on observable market information;
- level 3: valuation based on internal models containing significant unobservable inputs.

Instruments in the trading portfolio classified under levels 2 or 3 mainly consist of derivatives and securities considered as illiquid.

All of these instruments include uncertainties of valuation, which give rise to adjustments in value reflecting the risk premium that a market player would incorporate in establishing the price.

Said valuation adjustments facilitate the inclusion, in particular, of risks not taken into account by the model, as well as liquidity risks associated with the instrument or parameter in question, specific risk premiums designed to offset certain additional costs that would result from the dynamic management strategy associated with the model under certain market conditions, and the counterparty risk present in the fair value of over-the-counter derivatives. The methods used are subject to change. These methods include the proprietary counterparty risk inherent in the fair value of over-the-counter derivatives.

When establishing valuation adjustments, each risk factor is considered individually and no effect of diversification between risks, parameters or models of a different nature are taken into account. A portfolio-based approach is most often used for a given risk factor.

12/31/2025	Level 1	Level 2	Level 3	Total
FINANCIAL ASSETS IFRS 9 – EXCLUDING INSURANCE				
Fair value through equity	**35,092**	**10,988**	**727**	**46,808**
Government and equivalent securities	15,457	82	0	15,539
Bonds and other debt securities	19,636	10,904	0	30,540
Shares and other capital instruments	0	1	125	126
Investments and other long-term securities	0	0	563	563
Investments in subsidiaries and associates	0	0	40	40
EC Loans and Receivables - FVTPL	0	0	0	0
Customer loans and receivables - FVTPL	0	0	0	0
Trading/Fair value option/Other	**5,010**	**26,403**	**6,076**	**37,488**
Government securities and similar instruments – Trading	50	612	0	662
Government securities and similar instruments – Fair value option	0	0	0	0
Government securities and similar instruments – Other FVPL	0	0	0	0
Bonds and other debt securities – Trading	1,710	7,242	76	9,028
Bonds and other debt securities – Fair value option	0	0	609	609
Bonds and other debt securities – Other FVPL	283	586	49	918
Shares and other equity instruments – Trading	1,515	167	0	1,683
Shares and other equity instruments – Other FVPL[1]	1,394	0	3,662	5,056
Investments and other long-term securities – Other FVPL	1	1	470	472
Investments in subsidiaries and associates – Other FVPL	0	0	1,051	1,051
Loans and receivables due from credit institutions – Fair value option	0	0	0	0
Loans and receivables due from credit institutions - Other FVPL	0	0	0	0
Loans and receivables due from customers – Other FVPL	0	11,797	0	11,797
Loans and receivables due from customers – Trading	0	14	0	14
Loans and receivables due from customers – Fair value option	0	0	0	0
Derivatives and other financial assets – Trading	57	5,924	158	6,138
Other assets classified at FVPL	0	60	0	60
Hedging derivatives	**0**	**670**	**0**	**670**
TOTAL	**40,103**	**38,061**	**6,803**	**84,967**
FINANCIAL ASSETS IFRS 9 – INVESTMENTS OF INSURANCE ACTIVITIES				
Fair value through equity	**78,173**	**4,412**	**2,013**	**84,598**
Government and equivalent securities	36,671	177	0	36,848
Bonds and other debt securities	39,009	767	0	39,776
Shares and other capital instruments	1,398	18	0	1,416
Investments and other long-term securities	1,095	0	2,013	3,108
Investments in subsidiaries and associates	0	0	0	0
EC Loans and Receivables - FVTPL	0	3,450	0	3,450
Trading/Fair value option/Other	**44,232**	**12,925**	**0**	**57,157**
Government securities and similar instruments – Trading	0	0	0	0
Government securities and similar instruments – Fair value option	0	0	0	0
Government securities and similar instruments – Other FVPL	175	7	0	183
Bonds and other debt securities – Trading	0	0	0	0
Bonds and other debt securities – Fair value option	0	0	0	0
Bonds and other debt securities – Other FVPL	27,893	5,172	0	33,065
Shares and other equity instruments – Trading	0	0	0	0
Shares and other equity instruments – Other FVPL	16,163	7,239	0	23,402

12/31/2025	Level 1	Level 2	Level 3	Total
Loans and receivables due from customers – Fair value option	0	164	0	164
Loans and receivables due from customers – Other FVPL	0	0	0	0
Derivatives and other financial assets – Trading	0	0	0	0
Other assets classified at FVPL	0	343	0	343
Hedging derivatives	**0**	**0**	**0**	**0**
Non-operating properties OFVPL	**0**	**2,694**	**0**	**2,694**
TOTAL	**122,404**	**20,032**	**2,013**	**144,449**
FINANCIAL LIABILITIES IFRS 9				
Trading/Fair value option	**1,027**	**20,318**	**342**	**21,686**
Due to credit institutions – Fair value option	0	47	0	47
Due to customers – Fair value option	0	302	0	302
Debt securities – Fair value option	0	2,734	0	2,734
Subordinated debt – Fair value option	0	0	0	0
Debt – Trading	0	11,282	0	11,282
Derivatives and other financial liabilities - Trading	1,027	5,954	342	7,322
Hedging derivatives	**0**	**1,090**	**0**	**1,090**
TOTAL	**1,027**	**21,408**	**342**	**22,776**

(1) *Includes the equity investments held by the group's private equity companies.*

Note 9 Details of securitization outstandings

In accordance with the request from the banking supervisor and the market regulator, the sensitive exposures are presented below based on the FSB's recommendations. Trading and fair value securities portfolios through equity were valued at market price from external data coming from organized markets, primary brokers, or when no other price is available, from comparable securities listed on the market.

Summary	Carrying amount 06/30/2026	Carrying amount 12/31/2025
RMBS	1,648	1,104
CMBS	0	0
CLO	6,187	4,364
Other ABS	6,625	5,984
DLF*	1,606	0
TOTAL	**16,066**	**11,451**

**DLF : Direct lending fund.*
Unless otherwise indicated, securities are not hedged by CDS.

06/30/2026	RMBS	CMBS	CLO	Other ABS	DLF	Total
Fair value through profit or loss	41	0	0	4	0	45
Amortized cost	5	0	184	3,434	1,606	5,229
Fair value – Others	0	0	41	131	0	173
Fair value through equity	1,602	0	5,962	3,056	0	10,619
TOTAL	**1,648**	**0**	**6,187**	**6,625**	**1,606**	**16,066**
France	685	0	1,722	1,606	62	4,075
Spain	42	0	0	399	0	441
United Kingdom	350	0	1,196	317	54	1,916
Europe excluding France, Spain and the UK	555	0	155	2,395	1,282	4,387
USA	1	0	3,114	1,309	208	4,632
Other	16	0	0	600	0	616
TOTAL	**1,648**	**0**	**6,187**	**6,625**	**1,606**	**16,066**
US Branches	0	0	0	0	0	0
AAA	1,619	0	5,782	2,692	0	10,093
AA	27	0	319	1,042	0	1,388
A	1	0	45	1	0	46
BBB	0	0	0	0	0	0
BB	0	0	0	0	0	0
B or below	1	0	0	7	0	8
Not rated	0	0	41	2,884	1,606	4,532
TOTAL	**1,648**	**0**	**6,187**	**6,625**	**1,606**	**16,066**
Origination 2020 and earlier	14	0	67	118	128	328
Origination 2021	174	0	548	355	61	1,138
Origination 2022	214	0	77	291	0	582
Origination 2023	253	0	26	1,461	1,284	3,023
Origination 2024	292	0	1,816	1,725	25	3,858
Origination 2025	361	0	2,998	1,572	93	5,025
Origination 2026	340	0	655	1,103	15	2,113
TOTAL	**1,648**	**0**	**6,187**	**6,625**	**1,606**	**16,066**

12/31/2025	RMBS	CMBS	CLO	Other ABS	Total
Fair value through profit or loss	47	0	0	5	52
Amortized cost	7	0	243	3,141	3,391
Fair value – Others	1	0	31	147	179
Fair value through equity	1,049	0	4,090	2,691	7,829
TOTAL	**1,104**	**0**	**4,364**	**5,984**	**11,451**
France	500	0	971	1,444	2,916
Spain	41	0	0	378	419
United Kingdom	162	0	408	287	857
Europe excluding France, Spain and the UK	379	0	120	2,326	2,825
USA	1	0	2,865	1,113	3,979
Other	20	0	0	436	456
TOTAL	**1,104**	**0**	**4,364**	**5,984**	**11,451**
US Branches	0	0	0	0	0
AAA	1,097	0	3,975	2,505	7,578
AA	4	0	309	872	1,185
A	1	0	49	2	51
BBB	0	0	0	0	0
BB	0	0	0	0	0
B or below	1	0	0	6	7
Not rated	0	0	31	2,599	2,630
TOTAL	**1,104**	**0**	**4,364**	**5,984**	**11,451**
Origination 2020 and earlier	21	0	146	84	251
Origination 2021	196	0	646	385	1,227
Origination 2022	150	0	53	295	498
Origination 2023	192	0	111	1,685	1,988
Origination 2024	274	0	1,320	2,017	3,612
Origination 2025	272	0	2,087	1,516	3,875
TOTAL	**1,104**	**0**	**4,364**	**5,984**	**11,451**

Note 10 Financial assets at amortized cost

	06/30/2026	12/31/2025
Securities at amortized cost	6,360	6,153
Loans and receivables due from credit institutions	73,735	73,066
Loans and receivables due from customers	570,744	539,232
TOTAL	**650,839**	**618,451**

10a Securities at amortized cost

	06/30/2026	12/31/2025
Securities	6,345	6,138
■ Government securities	2,949	2,862
■ Bonds and other debt securities	3,397	3,276
Listed	2,956	2,686
Non-listed	440	590
Related receivables	17	18
TOTAL GROSS	**6,362**	**6,156**
of which impaired assets (S3)	0	1
Impairment of performing loans (S1/S2)	-2	-3
Other impairment (S3)	0	0
TOTAL NET	**6,360**	**6,153**

At June 30, 2026, the net carrying amount of HQLA debt securities recognized as assets at amortized cost amounted to €4,096 million, compared to €3,527 million at December 31, 2025. The estimated fair value of these assets amounts to €4,027 million, compared to €3,575 million at December 31, 2025.

10b Loans and receivables due from credit institutions at amortized cost

	06/30/2026	12/31/2025
Performing loans (S1/S2)	73,210	71,861
■ Crédit Mutuel network accounts[1]	57,325	55,866
■ Other ordinary accounts	3,865	2,546
■ Loans	2,121	1,674
■ Other receivables	7,672	9,971
■ Pensions	2,227	1,804
Related receivables	527	1,206
Impairment of performing loans (S1/S2)	-2	-1
TOTAL	**73,735**	**73,066**

(1) Mainly concerns outstanding CDC repayments (LEP, LDD, Livret bleu, Livret A passbook accounts).

10c Loans and receivables due from customers at amortized cost

	06/30/2026	12/31/2025
Performing loans (S1/S2)	**542,260**	**511,621**
Commercial loans	20,366	19,270
Other customer receivables	520,589	491,148
■ home loans	282,529	267,673
■ other loans and receivables[1]	238,060	223,475
Related receivables	1,305	1,203
Gross receivables subject to individual impairment (S3)	**18,511**	**17,203**
Gross receivables	**560,771**	**528,824**
Impairment of performing loans (S1/S2)[2]	-3,051	-2,955
Other impairment (S3)	-8,375	-7,871
SUBTOTAL I	**549,345**	**517,998**
Finance leases (net investment)	20,893	20,820
■ Equipment	15,561	15,434
■ Real estate	5,332	5,386
Gross receivables subject to individual impairment (S3)	1,207	1,057
Impairment of performing loans (S1/S2)	-211	-203
Other impairment (S3)	-489	-439
SUBTOTAL II	**21,400**	**21,235**
TOTAL (3)	**570,744**	**539,232**
of which equity loans	2	12
of which subordinated loans	546	2,150

The amounts of loans and receivables take into account assets impaired at the end of the period and on origination.
(1) This includes guarantee deposits paid in respect of payment commitments to the Single Resolution Fund (€336 million) and the Deposit Guarantee Fund (€304 million) at June 30, 2026.
(2) This item includes a post-model adjustment – see note 1 “Accounting principles”.
(3) Of which €25 billion at June 30, 2026 related to the entry of OLB into the scope of consolidation – see note 1 “Accounting principles”.

FINANCE LEASE TRANSACTIONS WITH CUSTOMERS

	12/31/2025	Increase	Decrease	Other	06/30/2026
Gross carrying amount	21,877	1,955	-1,675	-57	22,100
Impairment of non-recoverable lease payments	-642	-182	124	0	-700
NET CARRYING AMOUNT	**21,235**	**1,773**	**-1,551**	**-57**	**21,400**

Note 11 Financial liabilities at amortized cost

11a Debt securities at amortized cost

	06/30/2026	12/31/2025
Certificates of deposit	84	85
Interbank certificates and negotiable debt instruments	67,975	61,651
Bonds	89,696	85,143
Non-preferred senior securities	16,284	13,995
Related debt	1,643	1,821
TOTAL	**175,682**	**162,695**

11b Due to credit institutions

	06/30/2026	12/31/2025
Other ordinary accounts	1,603	1,306
Borrowings	16,986	14,936
Other debt	5,668	2,915
Pensions	15,327	11,102
Related debt	176	147
TOTAL	**39,760**	**30,406**

11c Due to customers at amortized cost

	06/30/2026	12/31/2025
Special savings accounts	160,101	162,612
▪ demand	130,042	131,183
▪ term	30,059	31,429
Related debts on savings accounts	1,223	37
Subtotal	**161,325**	**162,649**
Demand accounts	201,895	194,899
Term deposits and borrowings	141,360	127,312
Pensions	460	27
Related debt	2,334	1,878
Other debt	30	30
Insurance and reinsurance debts	0	0
Subtotal	**346,079**	**324,146**
TOTAL	**507,404**	**486,795**

Note 12 Gross values and movements in impairment provisions

12a Gross values subject to impairment

	12/31/2025	Acquisition/ production	Sales/ repayment	Transfer	Other[1]	06/30/2026
Financial assets at amortized cost – loans and receivables due from credit institutions, subject to	**73,067**	**15,192**	**-14,972**	**0**	**450**	**73,737**
12-month expected losses (S1)	73,065	15,192	-14,973	0	450	73,734
expected losses at termination (S2)	2	0	1	0	0	3
Financial assets at amortized cost – loans and receivables due from customers, subject to	**550,700**	**99,839**	**-93,796**	**-1**	**26,127**	**582,870**
12-month expected losses (S1)	484,808	93,836	-83,106	-7,352	24,954	513,141
expected losses at termination (S2)	47,635	5,451	-7,883	4,606	204	50,014
expected losses on assets credit-impaired (S3) at the end of the period but not credit-impaired on initial recognition	17,963	526	-2,573	2,778	238	18,932
expected losses on assets credit-impaired at the end of the period and on initial recognition[2]	296	26	-234	-33	731	786
Financial assets at amortized cost – securities	**6,156**	**832**	**-650**	**0**	**23**	**6,362**
12-month expected losses (S1)	6,148	832	-650	2	23	6,355
expected losses at termination (S2)	8	0	0	-1	0	7
expected losses on assets credit-impaired (S3) at the end of the period but not credit-impaired on initial recognition	1	0	0	-1	0	0
expected losses on assets credit-impaired (S3) at the end of the period and on initial recognition	0	0	0	0	0	0
Financial assets at fair value through other comprehensive income – debt securities	**46,111**	**14,597**	**-10,475**	**0**	**6,897**	**57,129**
12-month expected losses (S1)	46,083	14,597	-10,473	-3	6,897	57,101
expected losses at termination (S2)	9	0	-2	3	0	8
expected losses on assets credit-impaired (S3) at the end of the period but not credit-impaired on initial recognition	20	0	0	0	0	20
TOTAL	**676,034**	**130,460**	**-119,893**	**-1**	**33,497**	**720,098**

(1) Change in flows not giving rise to derecognition and miscellaneous flows.
(2) Of which €537 million at June 30, 2026 related to the acquisition of OLB.

12b Movements in impairment provisions

	12/31/2025	Additions	Reversals	Other	06/30/2026
Financial assets at amortized cost – loans and receivables due from credit institutions	**-1**	**-1**	**1**	**-1**	**-2**
12-month expected losses (S1)	-1	-1	1	-1	-2
expected losses at termination (S2)	0	0	0	0	0
Financial assets at amortized cost – loans and receivables due from customers	**-11,468**	**-3,669**	**3,052**	**-41**	**-12,126**
of which originated credit-impaired assets (S3)	0	0	0	0	0
12-month expected losses (S1)	-1,267	-541	460	-2	-1,350
expected losses at termination (S2)	-1,892	-1,238	1,218	0	-1,912
of which customer debts under IFRS 15	0	0	0	0	0
expected losses on assets credit-impaired (S3) at the end of the period but not credit-impaired on initial recognition	-8,310	-1,890	1,374	-38	-8,864
expected losses on assets credit-impaired (S3) at the end of the period and on initial recognition	0	0	0	0	0
Financial assets at amortized cost – securities	**-3**	**0**	**0**	**1**	**-2**
12-month expected losses (S1)	-2	0	0	0	-2
expected losses at termination (S2)	-1	0	0	0	-1
expected losses on assets credit-impaired (S3) at the end of the period but not credit-impaired on initial recognition	0	0	0	0	0
expected losses on assets credit-impaired (S3) at the end of the period and on initial recognition	0	0	0	0	0
Financial assets at FVOCI – debt securities	**-31**	**-10**	**10**	**-1**	**-32**
of which originated credit-impaired assets (S3)	0	0	0	0	0
12-month expected losses (S1)	-20	-9	9	-1	-21
expected losses at termination (S2)	0	-1	1	0	0
expected losses on assets credit-impaired (S3) at the end of the period but not credit-impaired on initial recognition	-11	0	0	0	-11
TOTAL	**-11,503**	**-3,680**	**3,063**	**-42**	**-12,162**

The group conducted a sensitivity test of the cost of risk (including post-model adjustment). It is presented in note 1.

12c Breakdown of impairment

	Outstandings			Impairment					Net
06/30/2026	**S1**	**S2**	**S3**	**S1**	**Of which adjustments[1]**	**S2**	**Of which adjustments[1]**	**S3**	**outstandings**
Loans and receivables due from credit institutions	73,734	3	0	-2	0	0	0	0	73,735
Loans and receivables due from customers[2]	513,137	50,014	19,718	-1,349	-138	-1,912	-147	-8,864	570,744
Financial assets at amortized cost – securities	6,355	7	0	-2	0	-1	0	0	6,359
Financial assets at FVOCI – debt securities	57,101	9	20	-21	0	0	0	-11	57,098
Financial assets at FVOCI – Loans	0	0	0	0	0	0	0	0	0
TOTAL	**650,327**	**50,033**	**19,738**	**-1,374**	**-138**	**-1,913**	**-147**	**-8,875**	**707,936**

	Outstandings			Impairment					Net
12/31/2025	**S1**	**S2**	**S3**	**S1**	**Of which adjustments[1]**	**S2**	**Of which adjustments[1]**	**S3**	**outstandings**
Loans and receivables due from credit institutions	73,065	2	0	-1	0	0	0	0	73,066
Loans and receivables due from customers[2]	484,808	47,635	18,259	-1,267	-131	-1,892	-194	-8,310	539,232
Financial assets at amortized cost – securities	6,148	8	1	-2	0	-1	0	0	6,153
Financial assets at FVOCI – debt securities	46,083	8	20	-20	0	0	0	-11	46,080
Financial assets at FVOCI – Loans	0	0	0	0	0	0	0	0	0
TOTAL	**610,103**	**47,653**	**18,279**	**-1,290**	**-131**	**-1,893**	**-194**	**-8,321**	**664,531**

(1) *Post-model adjustment.*
(2) *Of which assets impaired at the end of the period and on origination.*

Note 13 Insurance activities

INVESTMENTS OF INSURANCE ACTIVITIES

	06/30/2026	12/31/2025
INSURANCE FINANCIAL INVESTMENTS		
Financial assets at fair value through profit or loss	61,395	57,158
Financial assets at fair value through equity	87,583	84,609
Loans and receivables at amortized cost	119	36
Debt instruments at amortized cost	0	0
Investment property[1]	2,667	2,694
Subtotal of insurance investments[2]	**151,764**	**144,497**
Assets of insurance contracts	1	5
Assets of reinsurance contracts	259	245
TOTAL	**152,024**	**144,747**

(1) *Investment property is recognized at fair value through profit or loss.*

(2) *Outstandings in stage 3 amounted to €18 million, fully impaired.*

As of January 1, 2026, GACM holds bonds whose characteristics vary depending on whether or not the issuer meets ESG objectives. GACM has ensured that the criteria defined in the amendments to IFRS 9 and 7 are met. These securities, which were measured at fair value through profit or loss as of December 31, 2025, were therefore reclassified as of June 30, 2026, and are now recognized at fair value through equity.
The reclassifications carried out on January 1, 2026 concerned a total of €564.4 million from Financial assets at fair value through profit or loss to Financial assets at fair value through equity.

13a Financial assets at fair value through profit or loss

	06/30/2026				12/31/2025			
	Transaction	Fair value option	Other FVPL	Total	Transaction	Fair value option	Other FVPL	Total
Securities	0	0	60,890	60,890	0	0	56,651	56,651
■ Government securities	0	0	185	185	0	0	183	183
■ Bonds and other debt securities	0	0	35,971	35,971	0	0	33,066	33,066
Listed	0	0	31,034	31,034	0	0	27,892	27,892
Non-listed	0	0	4,937	4,937	0	0	5,174	5,174
of which UCIs	0	0	34,554	34,554	0	0	31,083	31,083
■ Shares and other capital instruments	0	0	24,734	24,734	0	0	23,402	23,402
Listed	0	0	17,214	17,214	0	0	16,163	16,163
Unlisted	0	0	7,520	7,520	0	0	7,239	7,239
■ Equity investments, shares in subsidiaries and associates and other long-term investments	0	0	0	0	0	0	0	0
Equity investments	0	0	0	0	0	0	0	0
Derivative instruments	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Operating properties at fair value through profit or loss	**0**	**0**	**340**	**340**	**0**	**0**	**343**	**343**
Loans and receivables	**0**	**0**	**165**	**165**	**0**	**0**	**164**	**164**
TOTAL	**0**	**0**	**61,395**	**61,395**	**0**	**0**	**57,158**	**57,158**

13b Insurance financial assets at fair value through equity

	06/30/2026	12/31/2025
Government securities	37,701	36,850
Bonds and other debt securities	41,595	39,816
■ Listed	40,895	39,030
■ Non-listed	700	786
Related receivables	0	0
Debt securities subtotal, gross	**79,296**	**76,666**
Of which impaired debt securities (S3)	18	18
Impairment of performing loans (S1/S2)	-25	-24
Other impairment (S3)	-18	-18
Debt securities subtotal, net	**79,253**	**76,624**
Loans	3,727	3,462
Related receivables	0	0
Gross subtotal loans and receivables	**3,727**	**3,462**
Impairment of performing loans (S1/S2)	-1	-1
Other impairment (S3)	-12	0
Net subtotal loans and receivables	**3,714**	**3,461**
Shares and other capital instruments	1,510	1,416
■ Listed	1,491	1,398
■ Non-listed	19	18
Long-term investments	3,106	3,108
■ Equity investments	3,106	3,108
■ Investments in subsidiaries and associates	0	0
Subtotal, equity instruments	**4,616**	**4,524**
TOTAL	**87,583**	**84,609**
Of which unrealized capital gains or losses recognized under shareholders' equity	688	639
Of which listed equity investments.	1,112	1,095

13c Distinction between insurance liabilities for remaining cover and incurred claims

	06/30/2026					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			
	Excluding loss item	Loss item	Contracts excluding PAA	Estimates of the present value of future cash flows of PAA contracts (BE)	Adjustment for non-financial risk of PAA contracts (RA)	Total
Insurance contract assets at the start of the period	-6	0	1	0	0	-5
Insurance contract liabilities at the start of the period	128,943	343	1,233	3,945	125	134,590
Opening balance	**128,937**	**343**	**1,233**	**3,945**	**125**	**134,585**
A - Income from insurance activities	**-4,042**	**0**	**0**	**0**	**0**	**-4,042**
Claims and other insurance expenses incurred during the fiscal year	0	-123	855	2,362	32	3,127
Amortization of acquisition cash flows	8	0	0	0	0	8
Loss on onerous contracts	0	117	0	0	0	117
Changes related to incurred claims in previous years (adjustment of the LIC)	0	0	-15	-43	-28	-86
B - Expenses related to insurance activities	**8**	**-6**	**840**	**2,319**	**5**	**3,166**
C - Investment component	**-3,543**	**0**	**3,543**	**0**	**0**	**0**
INSURANCE SERVICE RESULT (A + B + C)	**-7,578**	**-6**	**4,383**	**2,319**	**5**	**-876**
Financial income or expense on insurance contracts issued OCI	265	0	-5	11	0	272
Financial income or expense on insurance contracts issued outside OCI	4,780	3	10	40	1	4,834
Exchange rate effects	0	0	0	0	0	0
D- Total changes in income and in other comprehensive income	**-2,532**	**-2**	**4,389**	**2,369**	**6**	**4,229**
Premiums received	9,918	0	0	0	0	9,918
Claims and expenses paid, including investment component	0	0	-4,348	-2,255	0	-6,602
Cash flow from contract acquisition	-13	0	0	0	0	-13
E - Total cash flow	**9,905**	**0**	**-4,348**	**-2,255**	**0**	**3,302**
F - Transfer to other balance sheet items	**21**	**0**	**0**	**0**	**0**	**21**
Insurance contracts - assets	-2	0	1	0	0	-1
Insurance contracts - liabilities	136,332	341	1,274	4,060	132	142,139
CLOSING BALANCE (D + E + F)	**136,330**	**341**	**1,274**	**4,060**	**132**	**142,138**

	12/31/2025					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			
	Excluding loss item	Loss item	Contracts excluding PAA	Estimates of the present value of future cash flows of PAA contracts (BE)	Adjustment for non-financial risk of PAA contracts (RA)	Total
Insurance contract assets at the start of the period	-11	0	1	0	0	-10
Insurance contract liabilities at the start of the period	120,078	180	1,165	3,867	117	125,408
Opening balance	**120,067**	**180**	**1,166**	**3,867**	**117**	**125,397**
A - Income from insurance activities	**-7,776**	**0**	**0**	**0**	**0**	**-7,776**
Claims and other insurance expenses incurred during the fiscal year	0	-126	1,623	4,476	43	6,016
Amortization of acquisition cash flows	16	0	0	0	0	16
Loss on onerous contracts	0	286	0	0	0	286
Changes related to incurred claims in previous years (adjustment of the LIC)	0	0	-70	-154	-32	-255
B - Expenses related to insurance activities	**16**	**160**	**1,553**	**4,322**	**12**	**6,063**
C - Investment component	**-6,470**	**0**	**6,470**	**0**	**0**	**0**
Insurance service result (A + B + C)	**-14,230**	**160**	**8,023**	**4,322**	**12**	**-1,713**
Financial income or expense on insurance contracts issued OCI	-763	0	-11	-24	-5	-803
Financial income or expense on insurance contracts issued outside OCI	6,668	4	16	68	2	6,757
Exchange rate effects	0	0	0	0	0	0
D- Total changes in income and in other comprehensive income	**-8,324**	**163**	**8,028**	**4,365**	**9**	**4,240**
Premiums received	17,344	0	0	0	0	17,344
Claims and expenses paid, including investment component	0	0	-7,960	-4,287	0	-12,247
Cash flow from contract acquisition	-21	0	0	0	0	-21
E - Total cash flow	**17,323**	**0**	**-7,960**	**-4,287**	**0**	**5,076**
F - Transfer to other balance sheet items	**-129**	**0**	**0**	**0**	**0**	**-129**
Insurance contracts - assets	-6	0	1	0	0	-5
Insurance contracts - liabilities	128,943	343	1,233	3,945	125	134,590
Closing balance (D + E + F)	**128,937**	**343**	**1,233**	**3,945**	**125**	**134,585**

RECONCILIATION OF PAYABLES AND RECEIVABLES RELATED TO INSURANCE CONTRACTS AND REINSURANCE TREATIES

	06/30/2026				12/31/2025			
	Closing balance	Related payables - CASH BASIS	Related receivables - CASH BASIS	Closing balance (including related payables and receivables)	Closing balance	Related payables - CASH BASIS	Related receivables – CASH BASIS	Closing balance (including related payables and receivables)
INSURANCE								
Assets of insurance contracts	-1	0	0	-1	-5	0	0	-5
Insurance contract liabilities	142,139	-335	0	141,804	134,589	-570	0	134,019
TOTAL PAYABLES AND RECEIVABLES RELATED TO INSURANCE CONTRACTS	**142,138**	**-335**	**0**	**141,803**	**134,584**	**-570**	**0**	**134,014**
REINSURANCE								
Reinsurance treaty assets	366	0	-107	259	378	0	-133	245
Reinsurance treaty liabilities	0	0	0	0	0	0	0	0
TOTAL PAYABLES AND RECEIVABLES RELATED TO REINSURANCE TREATIES	**366**	**0**	**-107**	**259**	**378**	**0**	**-133**	**245**

13d Distinction of insurance liabilities (BE, RA, CSM)

	06/30/2026			
	Estimate of the present value of future cash flows (BE)	Risk adjustment for non-financial risk (RA)	Contractual service margin (CSM)	Total
Insurance contract assets at the start of the period	-84	25	53	-5
Insurance contract liabilities at the start of the period	116,980	2,368	10,530	129,878
Opening balance	**116,896**	**2,393**	**10,584**	**129,873**
Change in contractual service margin recognized in income	0	0	-410	-410
Change in the adjustment for non-financial risk over the period	0	-94	0	-94
Experience adjustment	-3	13	0	10
Changes in services rendered during the period	**-3**	**-81**	**-410**	**-494**
Contracts recognized during the period	-300	91	238	29
Changes in estimates resulting in an adjustment of the contractual service margin	-949	74	875	0
Changes in estimates resulting in losses or reversals of losses on groups of onerous contracts	4	-4	0	0
Changes in future services	**-1,245**	**160**	**1,113**	**29**
Changes in fulfillment cash flows in respect of incurred claims	-2	-13	0	-15
Changes related to past services	**-2**	**-13**	**0**	**-15**
Insurance service result	**-1,251**	**67**	**704**	**-480**
Effect of rates neutralized in OCI	240	21	0	261
Financial expenses net of insurance contracts (excluding OCI)	4,772	12	9	4,793
Exchange rate effects	0	0	0	0
TOTAL CHANGES IN INCOME AND IN OTHER COMPREHENSIVE INCOME	**3,762**	**99**	**713**	**4,574**
Premiums received	7,286	0	0	7,286
Claims and expenses paid, including investment component	-4,405	0	0	-4,405
Cash flow from contract acquisition	-13	0	0	-13
TOTAL CASH FLOW	**2,868**	**0**	**0**	**2,868**
Transfer to other balance sheet items	**21**	**0**	**0**	**21**
Insurance contract assets at closing	-87	27	59	-1
Insurance contract liabilities at closing	123,634	2,466	11,237	137,337
CLOSING BALANCE	**123,547**	**2,493**	**11,296**	**137,336**

	12/31/2025			
	Estimate of the present value of future cash flows (BE)	Risk adjustment for non-financial risk (RA)	Contractual service margin (CSM)	Total
Insurance contract assets at the start of the period	-71	20	41	-10
Insurance contract liabilities at the start of the period	109,841	1,789	8,974	120,604
Opening balance	**109,770**	**1,808**	**9,015**	**120,594**
Change in contractual service margin recognized in income	0	0	-833	-833
Change in the adjustment for non-financial risk over the period	0	-147	0	-147
Experience adjustment	-23	23	0	0
Changes in services rendered during the period	**-23**	**-124**	**-833**	**-980**
Contracts recognized during the period	-502	160	394	52
Changes in estimates resulting in an adjustment of the contractual service margin	-2,502	515	1,987	0
Changes in estimates resulting in losses or reversals of losses on groups of onerous contracts	48	78	0	126
Changes in future services	**-2,956**	**753**	**2,381**	**178**
Changes in fulfillment cash flows in respect of incurred claims	-53	-16	0	-70
Changes related to past services	**-53**	**-16**	**0**	**-70**
Insurance service result	**-3,032**	**613**	**1,548**	**-871**
Effect of rates neutralized in OCI	-726	-48	0	-774
Financial expenses net of insurance contracts (excluding OCI)	6,647	20	21	6,688
Exchange rate effects	0	0	0	0
TOTAL CHANGES IN INCOME AND IN OTHER COMPREHENSIVE INCOME	**2,889**	**585**	**1,568**	**5,042**
Premiums received	12,445	0	0	12,445
Claims and expenses paid, including investment component	-8,059	0	0	-8,059
Cash flow from contract acquisition	-21	0	0	-21
TOTAL CASH FLOW	**4,365**	**0**	**0**	**4,365**
Transfer to other balance sheet items	**-129**	**0**	**0**	**-129**
Insurance contract assets at closing	-84	25	53	-5
Insurance contract liabilities at closing	116,980	2,368	10,529	129,877
CLOSING BALANCE	**116,896**	**2,393**	**10,584**	**129,873**

13e Underlying items of VFA contracts

	06/30/2026	12/31/2025
Underlying items of insurance contracts with direct participation features	Underlying items of direct investment contracts	Underlying items of direct investment contracts
FINANCIAL INVESTMENTS		
Fair value through equity	**76,031**	**71,744**
Government and equivalent securities	30,148	29,423
Bonds and other debt securities	34,699	32,947
Shares and other equity instruments	0	0
Investments and other long-term securities	1,891	1,892
Investments in subsidiaries and associates	201	203
Loans and receivables	9,092	7,279
Fair value through profit or loss	**60,983**	**57,268**
Government and equivalent securities	173	171
Bonds and other debt securities	33,958	31,489
Shares and other equity instruments	23,905	22,667
Investments and other long-term securities	0	0
Investments in subsidiaries and associates	0	0
Loans and receivables	159	152
Derivatives and other financial assets – trading	51	29
Operating properties OFVPL	309	312
Non-operating properties OFVPL	2,428	2,448
Hedging derivatives	**0**	**0**
Amortized cost	**468**	**377**
Loans and receivables due from credit institutions	468	377
Loans due from customers	0	0
Other assets	**254**	**84**
Current tax assets	0	1
Deferred tax assets	0	0
Other assets	198	59
Accruals - Assets	57	24
TOTAL FINANCIAL INVESTMENTS	**137,736**	**129,473**
FINANCIAL LIABILITIES		
Fair value through profit or loss	**7,412**	**6,872**
Derivatives and other financial liabilities – Trading	0	0
Due to credit institutions and similar entities	7,412	6,872
Deposits from customers - Other - Term	0	0
Other liabilities	**239**	**126**
Other liabilities	35	25
Deferred tax liabilities	87	89
Accruals - Liabilities	116	12
TOTAL FINANCIAL LIABILITIES	**7,651**	**6,998**

IFRS 17 yield curves

Future cash flows are discounted using the yield curve below. This reflects the time value of money as well as the cash flow and liquidity characteristics of GACM's insurance contracts.

	06/30/2026	12/31/2025
1-year rate	3.2%	2.7%
5-year rate	3.3%	3.1%
10-year rate	3.5%	3.5%
20-year rate	3.7%	3.9%
30-year rate	3.6%	3.8%

Note 14 Tax

14a Current tax

	06/30/2026	12/31/2025
Assets (through profit or loss)	1,761	2,013
Liabilities (through profit or loss)	835	570

14b Deferred tax

	06/30/2026	12/31/2025
Assets (through profit or loss)	1,139	988
Assets (through shareholders' equity)	103	147
Liabilities (through profit or loss)	779	704
Liabilities (through shareholders' equity)	-47	-56

Note 15 Accruals and miscellaneous assets and liabilities

15a Accruals and miscellaneous assets

	06/30/2026	12/31/2025
ACCRUALS		
Collection accounts	151	221
Currency adjustment accounts	178	59
Accrued income	804	674
Other accruals	2,351	4,289
Subtotal	**3,484**	**5,243**
OTHER ASSETS		
Securities settlement accounts	274	130
Miscellaneous receivables	6,120	4,896
Inventories and similar	81	113
Other miscellaneous uses	37	32
Subtotal	**6,511**	**5,171**
TOTAL	**9,995**	**10,414**

15b Accruals and miscellaneous liabilities

	06/30/2026	12/31/2025
ACCRUALS - LIABILITIES		
Accounts unavailable due to recovery procedures	28	12
Currency adjustment accounts	1,462	2,310
Accrued expenses	2,581	2,477
Deferred income	1,826	1,696
Other accruals	3,849	6,524
Subtotal	**9,746**	**13,019**
OTHER LIABILITIES		
Lease obligations – Real estate	934	992
Lease obligations – Other	82	56
Securities settlement accounts	1,533	566
Outstanding amounts payable on securities	207	219
Miscellaneous creditors	3,260	2,836
Subtotal	**6,016**	**4,669**
TOTAL	**15,762**	**17,688**

15c Lease liabilities by residual term

06/30/2026	D ≤ 1 year	1 year < D ≤ 3 years	3 years < D ≤ 6 years	6 years < D ≤ 9 years	D > 9 years	TOTAL
Lease obligations	232	339	267	119	59	1,016
■ Real estate	218	308	242	107	59	934
■ Other	14	31	25	12	0	82

12/31/2025	D ≤ 1 year	1 year < D ≤ 3 years	3 years < D ≤ 6 years	6 years < D ≤ 9 years	D > 9 years	TOTAL
Lease obligations	229	404	250	100	67	1,048
■ Real estate	213	369	244	100	67	992
■ Other	16	35	6	0	0	56

Note 16 Investments in equity consolidated companies

16a Share of net income of equity consolidated companies

06/30/2026	Country	Share held	Value of equity consolidation	Share of net income	Dividends received	Fair value of the investment (if listed)
ENTITIES UNDER SIGNIFICANT INFLUENCE						
Banque de Tunisie	Tunisia	35.33%	166	11	9	263
Caisse Centrale du Crédit Mutuel[1]	France	66.16%	632	10	14	NC*
LYF SAS	France	50.00%	3	-2	0	NC*
LYF SA	France	46.25%	8	0	0	NC*
2SF Trust Services Company	France	33.33%	43	0	0	NC*
Total (1)	**-**		**851**	**18**	**23**	
JOINT VENTURES						
Euro Automatic Cash	Spain	50.00%	7	-1	0	NC*
Total (2)	**-**		**7**	**-1**	**0**	
TOTAL (1)+(2)	**-**		**858**	**18**	**23**	

(1) *Caisse Centrale du Crédit Mutuel is accounted for using the equity method due to its significant influence, despite holding more than 50% of voting rights and taking into account the analysis of the governance rules specific to that entity of the Crédit Mutuel group.*
* *NC: Not communicated.*

12/31/2025	Country	Share held	Value of equity consolidation	Share of net income	Dividends received	Fair value of the investment (if listed)
ENTITIES UNDER SIGNIFICANT INFLUENCE						
Banque de Tunisie	Tunisia	35.33%	160	22	9	149
Caisse Centrale du Crédit Mutuel[1]	France	66.16%	635	14	20	NC*
LYF SAS	France	50.00%	1	-6	0	NC*
LYF SA	France	46.25%	8	1	0	NC*
2SF Trust Services Company	France	33.33%	43	0	0	NC*
TOTAL (1)	**-**		**847**	**30**	**29**	
JOINT VENTURES						
Euro Automatic Cash	Spain	50.00%	8	0	0	NC*
Total (2)	**-**	**0**	**8**	**0**	**3**	**0**
TOTAL (1)+(2)	**-**	**0**	**854**	**30**	**32**	**0**

(1) *Caisse Centrale du Crédit Mutuel is accounted for using the equity method due to its significant influence, despite holding more than 50% of voting rights and taking into account the analysis of the governance rules specific to that entity of the Crédit Mutuel group.*
* *NC: Not communicated.*

Note 17 Investment property

	12/31/2025	Increase	Decrease	Other	06/30/2026
Historical cost	483	11	-6	3	491
Depreciation and impairment	-145	-10	2	-1	-154
NET AMOUNT	**338**	**1**	**-4**	**2**	**337**

Note 18 Property, plant and equipment and intangible assets

18a Property, plant and equipment

	12/31/2025	Increase	Decrease	Other (1)	06/30/2026
HISTORICAL COST					
Operating sites	520	15	0	30	565
Operating buildings	5,865	84	-37	81	5,993
Usage rights – Real estate	2,129	86	-186	91	2,120
Usage rights – Other	71	0	0	70	141
Other property, plant and equipment	3,564	379	-246	95	3,792
TOTAL	**12,149**	**564**	**-469**	**367**	**12,611**
DEPRECIATION AND IMPAIRMENT					
Operating sites	-1	0	0	0	-1
Operating buildings	-3,785	-93	31	-73	-3,920
Usage rights – Real estate	-1,165	-126	149	-72	-1,214
Usage rights – Other	-15	-7	0	-38	-60
Other property, plant and equipment	-2,675	-126	125	-76	-2,752
TOTAL	**-7,641**	**-352**	**305**	**-259**	**-7,947**
NET AMOUNT	**4,508**	**212**	**-164**	**108**	**4,664**

(1) Of which €329 million in historical cost and -€220 million in amortization and impairment related to the entry of OLB in 2026.

OF WHICH PROPERTIES RENTED UNDER FINANCE LEASES

	12/31/2025	Increase	Decrease	Other	06/30/2026
Operating sites	7	0	0	0	7
Operating buildings	94	0	0	0	94
TOTAL	**101**	**0**	**0**	**0**	**101**

18b Intangible assets

	12/31/2025	Increase	Decrease	Other (2)	06/30/2026
HISTORICAL COST					
Internally developed intangible assets[1]	927	35	-1	3	964
Purchased intangible assets	1,718	29	-18	742	2,471
■ software	358	10	-14	54	408
■ other	1,360	19	-4	688	2,063
TOTAL	**2,645**	**64**	**-19**	**745**	**3,435**
DEPRECIATION AND IMPAIRMENT					
Internally developed intangible assets	-792	-36	1	-3	-830
Purchased intangible assets	-1,187	-125	29	-63	-1,346
■ software	-305	-14	14	-42	-347
■ other	-881	-111	15	-22	-999
TOTAL	**-1,978**	**-161**	**30**	**-67**	**-2,176**
NET AMOUNT	**667**	**-97**	**11**	**678**	**1,259**

(1) These headings correspond to software developed internally and capitalized in our subsidiaries Euro-Information, Oldenburgische Landesbank AG and TARGOBANK AG.
(2) Of which €741 million in historical cost and -€44 million in amortization and impairment related to the entry of OLB in 2026.

Note 19 Goodwill

	12/31/2025	Increase	Decrease	Variation in impairment	Other	06/30/2026
Gross goodwill	4,764	2	0	0	0	4,766
Impairment	-2,470	0	0	0	0	-2,470
NET GOODWILL	**2,294**	**2**	**0**	**0**	**0**	**2,296**

Cash-generating units	Value of goodwill on 12/31/2025	Increase	Decrease	Variation in impairment	Other	Value of goodwill on 06/30/2026
TARGOBANK	1,018	0	0	0	0	1,018
Crédit Industriel et Commercial (CIC)	497	0	0	0	0	497
Cofidis Group	306	0	0	0	0	306
La Française Group	199	0	0	0	0	199
Cofidis France	79	0	0	0	0	79
Euro-Protection Surveillance	51	0	0	0	0	51
EBRA	46	2	0	0	0	48
SIIC Foncière Massena	26	0	0	0	0	26
Crédit Mutuel Equity SCR	21	0	0	0	0	21
Banque de Luxembourg	13	0	0	0	0	13
Cofidis Italie	9	0	0	0	0	9
Banque Transatlantique	6	0	0	0	0	6
Dubly Transatlantique Gestion	5	0	0	0	0	5
Carizy	4	0	0	0	0	4
Other	14	0	0	0	0	14
TOTAL	**2,294**	**2**	**0**	**0**	**0**	**2,296**

The cash-generating units to which goodwill is allocated are tested at least annually to determine their recoverable amount. An impairment loss is recognized through a write-down of goodwill when the recoverable amount is less than the carrying amount. The current economic environment, its observed impact on results as of June 30, 2026, and macroeconomic uncertainties for the coming years have led the group to identify potential indicators of impairment of goodwill. Consequently, the group has updated the impairment tests for its principal cash-generating units.

The recoverable amount is determined according to two types of methods:

- *the fair value net of sales costs, which is based on observation of valuation multiples on comparable transactions or market parameters adopted by the analysts on entities with similar activities;*
- *the value in use, which is based on the discounting of expected future cash flows after taking into account capital requirements: this method is generally used as at June 30, 2026.*

To determine the value in use, the cash flows are based on business plans prepared by the management over a maximum period of five years, then on projection of a flow to infinity according to a long-term growth rate. The latter is set at 2% for the whole of Europe, which is an assumption measured against inflation rates observed over a very long period.

The cash flows used to calculate the value in use also take into account prudential capital requirements.

The discounted cash flow rate corresponds to the cost of capital, which is determined using a long-term risk-free rate plus a risk premium, weighted by a risk sensitivity coefficient (β) enables an assessment of market volatility. The cost of capital was updated as of December 31, 2024, using:

- *9% for retail banking and leasing CGUs based in Germany;*
- *10% for retail banking, consumer finance and leasing CGUs based in France.*

The cash flows used to calculate the value in use are determined on the basis of regulatory capital requirements.

The main sensitivity factors for the recoverable amount test based on value in use are the cost of capital, the perpetual growth rate, and capital requirements. When the value in use was used as an impairment test, the parameters and their sensitivity were as follows:

	TARGOBANK Germany	Cofidis[(1)]	CIC
	Network bank	Consumer finance	Network bank
Cost of capital	9%	+10%	+10%
Effect of a 50 basis point increase in the cost of capital	-6%	-7%	-5%
Effect of a 50 basis point drop in the growth rate to infinity	0%	-1%	0%
Effect of a 50 basis point increase in CET1 capital requirements	-3%	-4%	-3%

If the above sensitivity assumptions were used, this would not entail any impairment of goodwill on TARGOBANK Germany, Cofidis and CIC.

(1) Cofidis France and Cofidis Group.

Note 20 Provisions

20a Provisions

	12/31/2025	Additions for the year	Reversals for the year (utilized provisions)	Reversals for the year (surplus provisions)	Other changes	06/30/2026
Provisions for risks	**657**	**260**	**-7**	**-167**	**5**	**748**
On guarantee commitments[2]	**382**	**140**	**-2**	**-100**	**4**	**424**
■ of which 12-month expected losses (S1)	69	28	0	-23	0	74
■ of which expected losses at termination (S2)	90	41	0	-38	1	94
■ of which provisions for execution of commitments upon signature	223	71	-2	-39	3	256
On financing commitments[2]	**139**	**62**	**-1**	**-58**	**3**	**145**
■ of which 12-month expected losses (S1)	89	40	0	-36	0	93
■ of which expected losses at termination (S2)	45	15	0	-19	0	41
On country risks	**0**	**0**	**0**	**0**	**0**	**0**
Provisions for taxes	**1**	**0**	**-1**	**-1**	**0**	**-1**
Provisions for claims and litigation	**68**	**51**	**-3**	**-4**	**3**	**115**
Provision for risk on miscellaneous receivables	**67**	**7**	**0**	**-4**	**-5**	**65**
Other provisions	**1,933**	**232**	**-281**	**-132**	**37**	**1,789**
■ Provisions for mortgage saving agreements	207	0	-2	-21	0	184
■ Provisions for miscellaneous contingencies	1,098	86	-276	-110	35	833
■ Other provisions[1]	628	146	-3	-1	2	772
Provisions for retirement commitments	**1,518**	**108**	**-171**	**-9**	**-41**	**1,405**
TOTAL	**4,108**	**600**	**-459**	**-308**	**1**	**3,942**

[1] *Other provisions relate to provisions for French economic interest groups (SPV) totaling €639 million at June 30, 2026.*

[2] *The item includes a post-model adjustment – see note 1 "Accounting principles".*

The European regulatory framework designed to safeguard financial stability consists, in particular, of the Bank Recovery and Resolution Directive (BRRD) and the Single Resolution Mechanism Regulation (SRMR), which establishes the Single Resolution Mechanism and the Single Bank Resolution Fund (SRF).

This SRF was funded by contributions from all banks in the member states participating in the Banking Union and, by the end of 2023, had reached its target of a total endowment equal to or greater than 1% of the covered deposits of those same banks.

A portion of the contributions could be paid in the form of irrevocable payment undertakings (IPU) secured by interest-bearing cash deposits.

In the event that resolution measures involving the SRF are implemented, the Single Resolution Board may call upon all or part of the IPU contributions in order to restore the Fund's available financial resources, up to the aforementioned 1% ceiling.
Security deposits are intended to be refunded by the SRF once the contribution represented by the IPU has been paid.

The timeline for the call on irrevocable payment undertakings is considered uncertain and, if applicable, very long-term, given the resilience of the Eurozone banking system as highlighted by the results of the 2025 ECB stress tests. Since the framework was established, no intervention by the FRU has been necessary in the resolution cases handled by the Single Resolution Board. No resolution measures requiring the use of IPU are anticipated in the Eurozone within the foreseeable future.

Furthermore, the loss or withdrawal of the group's authorization is also considered highly unlikely in the context of going concern, given the stability and robustness of the Crédit Mutuel Group's mutualist model.

20b Retirement and other employee benefits

	12/31/2025	Additions for the year	Reversals for the year	Other changes	06/30/2026
DEFINED-BENEFIT PLANS NOT COVERED BY PENSION FUNDS					
Retirement benefits	1,217	25	-175	-50	1,017
Supplementary pensions	52	3	-5	-1	49
Obligations for long-service awards (other long-term benefits)	238	80	0	11	329
Subtotal recognized	**1,507**	**108**	**-180**	**-40**	**1,395**
SUPPLEMENTARY DEFINED-BENEFIT PENSIONS COVERED BY THE GROUP'S PENSION FUNDS					
Commitments to employees and retirees[1]	11	0	0	0	11
Fair value of assets	0	0	0	0	0
Subtotal recognized	**11**	**0**	**0**	**0**	**11**
Other commitments	0	0	0	0	0
TOTAL RECOGNIZED	**1,518**	**108**	**-180**	**-40**	**1,405**

(1) *The provisions covering shortfalls in pension funds relate to entities located abroad.*

The 2026 Finance Act eliminated the tax exemption—which had been in effect through December 31, 2025—on bonuses related to long-service awards. Consequently, the resulting social security exemption will also be eliminated, following a grace period, after December 31, 2026. The taxes payable by the plan on benefits resulting from services rendered prior to the reporting date constitute a financial actuarial assumption to be taken into account in calculating the present value of the obligation—therefore, the effects of the elimination of the social security exemption are factored into the valuation of the provision as of June 30, 2026.

DEFINED-BENEFIT PLANS: MAIN ACTUARIAL ASSUMPTIONS

	06/30/2026	12/31/2025
Discount rate[2]	4.20%	3.80%
Expected increase in salaries[3]	Minimum 2.43%	Minimum 3.73%

(2) *The discount rate, which is determined by reference to the long-term rate on private-sector borrowings, is based on the IBOXX index.*
(3) *The annual increase in salaries is the estimate of future inflation combined with the increase in salaries; it also depends on the age of the employee.*

Note 21 Subordinated debt

	06/30/2026	12/31/2025
Subordinated debt	12,154	12,597
Participating loans	0	0
Perpetual subordinated debt	0	0
Other debt	0	0
Related debt	126	260
TOTAL	**12,280**	**12,857**

PRINCIPAL SUBORDINATED DEBT

(in € millions)	Type	Issue Date	Issue Amount	Amount at year-end[1]	Rate	Term
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	09/12/2016	€300m	€300m	2.13	09/12/2026
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	11/04/2016	€700m	€695m	1.875	11/04/2026
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	03/31/2017	€500m	€493m	2.625	03/31/2027
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	11/15/2017	€500m	€487m	1.625	11/15/2027
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	05/25/2018	€500m	€485m	2.5	05/25/2028
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	06/18/2019	€1,000m	€1,000m	1.875	06/18/2029
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	11/19/2021	€750m	€654m	1.125	11/19/2031
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	06/16/2022	€1,250m	€1,239m	3.875	06/16/2032
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	01/11/2023	€1,250m	€1,269m	5.125	01/11/2033
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	01/11/2024	€1,500m	€1,476m	4.375	01/11/2034
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	01/15/2025	€1,250m	€1,238m	4.00	01/15/2035
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	11/142025	€750m	€739m	3.75	05/14/2036
Assurances du Crédit Mutuel	redeemable subordinated notes/TSR	10/21/2021	€750m	€763m	(2)	04/21/2042
Assurances du Crédit Mutuel	redeemable subordinated notes/TSR	04/30/2024	€500m	€500m	(3)	10/30/2044
Oldenburgische Lansdesbank	redeemable subordinated notes/TSR	01/24/2024	€170m	€167m	(4)	24/04/2034
Oldenburgische Lansdesbank	redeemable subordinated notes/TSR	03/11/2024	€150m	€ 149m	(5)	24/04/2034

[1] *Net intra-group amounts and revaluation differences for hedged instruments.*
[2] *Fixed rate of 1.85% until April 21, 2032; variable rate of 3-month Euribor +2.65% thereafter.*
[3] *Fixed rate of 5% until October 30, 2034; variable rate of 3-month Euribor +3.25% thereafter.*
[4] *Fixed rate of 8.5% until April 24, 2029, variable at the 5-year Euro mid-swap rate +5.830% thereafter.*
[5] *Fixed rate of 8% until April 24, 2029, variable at the 5-year Euro mid-swap rate +5.207% thereafter.*

Note 22 Reserves related to capital and reserves

22a Shareholders' equity attributable to the group (excluding profit and loss and unrealized gains and losses)

	06/30/2026	12/31/2025
Capital and reserves related to capital	8,127	8,008
■ Capital	8,127	8,008
Consolidated reserves	59,454	55,594
■ Regulated reserves	9	6
■ Other reserves (including effects related to initial application)	59,494	55,603
of which profit on disposal of equity instruments	155	150
■ of which Retained earnings	-49	-15
TOTAL	**67,581**	**63,602**

The share capital of the Crédit Mutuel local banks is composed of:

- A shares, non-transferable;
- B shares, transferable;
- P shares, with priority interests.

B shares and equivalent may only be subscribed by those members holding at least one A share. The articles of association of the local banks limit the subscription of B shares and their equivalent by any given member to €50,000 (with the exception of reinvestment of dividends paid in B shares). In accordance with the law of September 10, 1947, following withdrawals of capital contributions, the capital may not fall below one-quarter of the highest amount ever reached by the capital.

The redemption plan for B shares differs according to whether they were subscribed before or after December 31, 1988:

- shares subscribed up to December 31, 1988 may be redeemed at the member's request on January 1 each year. This reimbursement, which is subject to compliance with the provisions governing the reduction of capital, is subject to a minimum notice period of three months;
- shares subscribed on or after January 1, 1989 may be redeemed at the member's request upon five years' notice, except in the event of marriage, death or unemployment. These transactions are also subject to compliance with the provisions governing capital reductions.

By decision of the Board of Directors and in agreement with the Supervisory Board, the bank may refund all or part of the shares in this class under the same conditions.

P shares with priority interests are issued by the Crédit Mutuel de Normandie and Midi-Atlantique regional banks.

As of June 30, 2026, the capital of Crédit Mutuel local banks is as follows:

- €252.2 million for A shares
- €7,874.6 million for B shares and equivalent
- €0.7 million for P shares

As of December 31, 2025, the capital of Crédit Mutuel local banks is as follows:

- €252.7 million for A shares
- €7,754.5 million for B shares and equivalent
- €0.7 million for P shares.

22b Unrealized or deferred gains and losses (attributable to the group)

	06/30/2026	12/31/2025
Unrealized or deferred gains or losses[1] relating to:		
■ Investments of insurance activities in FVTPL – Debt instruments	-785	-756
■ Investments of insurance activities in FVTPL – Equity instruments	1,574	1,491
■ Financial assets at fair value through recyclable equity – debt instruments	-146	-146
■ Financial assets at fair value through non-recyclable equity – equity instruments	2	21
■ Hedging derivatives (CFH)	9	-
■ Translation adjustments	113	45
■ Share of unrealized or deferred gains and losses of associates	-40	-40
■ Actuarial gains and losses on defined benefit plans	74	-121
■ Credit risk on financial liabilities under fair value transferred to reserves	-	-
■ Other	-	-
TOTAL	**802**	**494**

(1) *Balances net of corporation tax and after shadow accounting treatment.*

22c Recycling of gains and losses directly recognized in shareholders' equity

	06/30/2026	12/31/2025
	Operations	Operations
Translation adjustments		
Reclassification in income	0	0
Other movement	68	-199
Subtotal	**68**	**-199**
Revaluation of financial assets at FVOCI – debt instruments		
Reclassification in income	0	0
Other movement	1	190
Subtotal	**1**	**190**
Revaluation of financial assets at FVOCI – equity instruments		
Reclassification in income	0	0
Other movement	-19	46
Subtotal	**-19**	**46**
Revaluation of hedging derivatives		
Reclassification in income	0	0
Other movement	8	11
Subtotal	**8**	**11**
Revaluation of financial assets at FVOCI of Insurance		
Reclassification in income	0	0
Other movement	205	-287
Subtotal	**205**	**-287**
Revaluation of insurance and reinsurance contracts in recyclable shareholders' equity		
Reclassification in income	0	0
Other movement	-150	513
Subtotal	**-150**	**513**
Actuarial gains and losses on defined benefit plans	195	28
Share of unrealized or deferred gains and losses of associates	0	-2
TOTAL	**308**	**301**

22d Tax related to each category of gains and losses recognized directly in shareholders' equity

	06/30/2026			12/31/2025		
	Gross amount	Tax	Net amount	Gross amount	Tax	Net amount
Translation adjustments	68	0	68	-199	0	-199
Revaluation of financial assets at FVOCI - debt instruments	-2	2	1	256	-65	190
Revaluation of financial assets at FVOCI - equity instruments	-20	1	-19	46	0	46
Revaluation of financial assets at FVOCI of Insurance	242	-37	205	-389	101	-287
Revaluation of hedging derivatives	11	-3	8	15	-4	11
Revaluation of insurance and reinsurance contracts in recyclable shareholders' equity	-203	52	-150	692	-179	513
Revaluation of non-current assets	0	0	0	0	0	0
Revaluation differences related to own credit risk on financial liabilities under fair value option transferred to reserves	0	0	0	0	0	0
Actuarial gains and losses on defined benefit plans	257	-62	195	48	-20	28
Share of unrealized or deferred gains and losses of associates	0	0	0	-2	0	-2
CHANGES IN GAINS AND LOSSES RECOGNIZED DIRECTLY IN EQUITY	**354**	**-46**	**308**	**467**	**-166**	**301**

Note 23 Commitments given and received

COMMITMENTS GIVEN

	06/30/2026	12/31/2025
Financing commitments	**92,444**	**91,046**
Commitments due to credit institutions	857	697
Commitments to customers	91,587	90,349
Guarantee commitments	**28,471**	**28,360**
Credit institution commitments	4,346	4,974
Customer commitments	24,125	23,386
Securities commitments	**18,083**	**11,130**
Other commitments given	18,083	11,130
Commitments pledged from Insurance	**5,887**	**5,853**

COMMITMENTS RECEIVED

	06/30/2026	12/31/2025
Financing commitments	**31,832**	**30,252**
Commitments received from credit institutions	31,832	30,252
Commitments received from customers	0	0
Guarantee commitments	**111,282**	**99,181**
Commitments received from credit institutions	71,254	62,737
Commitments received from customers	40,028	36,444
Securities commitments	**14,069**	**7,390**
Other commitments received	14,069	7,390
Commitments received from Insurance	**3,520**	**3,130**

Note 24 Interest income and expense

	06/30/2026		06/30/2025	
	Income	Expenses	Income	Expenses
Credit institutions and central banks	1,469	-660	2,443	-1,064
Customers	9,566	-3,616	8,517	-4,232
■ of which finance and operating leases	675	-220	645	-199
■ of which lease liability	0	-11	0	-10
Hedging derivatives	3,979	-3,937	3,802	-3,738
Financial assets at fair value through profit or loss	692	-285	702	-340
Financial assets at fair value through equity	819	0	813	0
Securities at amortized cost	56	0	76	0
Debt securities	0	-2,787	0	-2,602
Subordinated debt	0	-6	0	-9
TOTAL	**16,580**	**-11,290**	**16,353**	**-11,985**
of which interest income and expense calculated at the effective interest rate:	11,910	-7,069	11,848	-7,908

Note 25 Commissions

	06/30/2026		06/30/2025	
	Income	Expenses	Income	Expenses
Credit institutions	11	-4	11	-4
Customers	1,222	-6	1,158	-8
Securities	724	-91	611	-72
■ of which activities managed on behalf of third parties	496	0	431	0
Derivative instruments	2	-7	2	-7
Currency transactions	16	0	16	-1
Funding and guarantee commitments	75	-9	72	-32
Services provided	1,360	-714	1,394	-729
TOTAL	**3,410**	**-831**	**3,264**	**-853**

Note 26 Net gains on financial instruments at fair value through profit or loss

	06/30/2026	06/30/2025
Trading instruments	281	209
Instruments accounted for under the fair value option	-10	-1
Ineffective portion of hedges	12	-20
On fair value hedges (FVH)	12	-20
■ Change in the fair value of hedged items	183	-369
■ Change in the fair value of hedging instruments	-171	349
Foreign exchange gains/(losses)	29	79
Other financial instruments at fair value through profit or loss[1]	-23	600
TOTAL CHANGES IN FAIR VALUE	**288**	**867**

[1] Of which €149 million came from private equity in the first half of 2026 compared to €181 million in the first half of 2025. The other changes correspond to changes in the fair value of the other portfolios at fair value.

Note 27 Net gains or losses on financial assets at fair value through shareholders' equity

	06/30/2026	06/30/2025
Dividends	30	11
Realized gains and losses on debt instruments	5	6
TOTAL	**35**	**16**

Note 28 Net gains or losses resulting from derecognition of financial assets at amortized cost

	06/30/2026	06/30/2025
Financial assets at amortized cost	0	0
Realized gains/(losses) on:	0	2
Government securities	0	0
Bonds and other fixed-income securities	0	2
TOTAL	**0**	**2**

Note 29 Net income from insurance activities

	06/30/2026	06/30/2025
Revenues from insurance contracts	4,042	3,831
Losses from insurance contracts	-3,166	-2,950
Income from insurance contracts	**876**	**881**
Expenses net of reinsurance treaties	-79	-67
Insurance service result	**797**	**814**
Net income from insurance financial investments	4,959	3,104
Financial income or financial expenses from insurance contracts issued	-4,834	-2,992
Financial income or expenses related to reinsurance contracts held	3	3
Other income and expenses	0	0
TOTAL	**924**	**929**

29a Breakdown of income from insurance and reinsurance activities

	06/30/2026	06/30/2025
INSURANCE		
Income from insurance contracts not measured under the premium allocation approach (PAA)		
■ Contractual service margin recognized in income over the period	410	399
■ Change in the adjustment for non-financial risk not related to past services	93	73
■ Portion of premiums allocated to the recovery of insurance acquisition cash flows	8	7
■ Expected claims expenses for the period and other related expenses	872	843
■ Other	17	11
Income from insurance contracts not measured under the premium allocation approach (PAA)	**1,400**	**1,333**
Income from insurance contracts measured under the premium allocation approach (PAA)	**2,643**	**2,498**
Expenses related to insurance contracts	**-3,166**	**-2,950**
TOTAL INSURANCE SERVICE RESULT	**876**	**881**
REINSURANCE		
Income from insurance contracts not measured under the premium allocation approach (PAA)		
■ Contractual service margin recognized in income over the period	-2	-2
■ Change in the adjustment for non-financial risk not related to past services	-1	-1
■ Expected claims expenses for the period and other related expenses	-6	-6
■ Other	0	0
Expenses relating to reinsurance contracts not measured under the premium allocation approach (PAA)	**-9**	**-9**
Income from reinsurance contracts measured under the premium allocation approach (PAA)	**-84**	**-67**
Revenues from reinsurance contracts	**14**	**9**
TOTAL REINSURANCE SERVICE RESULT	**-79**	**-67**

29b Net income from investments related to insurance activities

	06/30/2026	06/30/2025
Interest income and expense	**1,154**	**963**
Loans and receivables at amortized cost	-43	-35
Financial instruments at fair value through profit or loss	179	155
Financial assets at fair value through equity	1,018	843
Commissions on securities	**19**	**17**
Net gains on financial instruments at fair value through profit or loss	**3,617**	**1,939**
■ Trading instruments	0	0
■ Foreign exchange gains/(losses)	19	-35
■ Other financial instruments at fair value through profit or loss	3,597	1,976
Net gains or losses on financial assets at fair value through shareholders' equity	**155**	**166**
■ Dividends	159	158
■ Realized gains and losses on debt instruments	-4	8
Net gains or losses on financial assets and liabilities at amortized cost	**0**	**0**
Net income on investment property	**24**	**22**
Cost of credit risk on investments related to insurance activities	**-10**	**-3**
TOTAL	**4,959**	**3,104**

29c Relationship between insurance income/financial expense and investment return on assets

	06/30/2026	06/30/2025
Interest income and expense	1,154	963
Other investment income	3,815	2,144
Cost of risk on insurance financial investments	-10	-3
NET INVESTMENT INCOME	**4,959**	**3,104**
Change in fair value of underlying items of contracts with direct participation feature	-4,764	-2,929
Impact of the risk mitigation option	0	0
Accrued interest	-70	-64
Accretion of insurance liabilities	0	0
Impact of changes in discount rates and other financial assumptions	-272	68
net foreign exchange losses	0	0
NET FINANCIAL EXPENSE ON INSURANCE CONTRACTS	**-5,106**	**-2,924**
Accrued interest	3	3
Other income	5	-4
NET FINANCIAL RESULT FROM REINSURANCE CONTRACTS	**8**	**-1**
Change in investment contracts (liabilities)	327	49
Changes in investments in consolidated companies	0	0
TOTAL	**189**	**227**
of which recognized in profit or loss	128	115
of which recognized in OCI	60	113

Note 30 Income/expenses generated by other activities

	06/30/2026	06/30/2025
INCOME FROM OTHER ACTIVITIES		
Rebilled expenses	32	32
Other income	1,005	1,041
Subtotal	**1,039**	**1,073**
EXPENSES ON OTHER ACTIVITIES		
Investment property:	-11	-4
■ additions to provisions/depreciation	-11	-4
Other expenses	-344	-894
Subtotal	**-355**	**-898**
NET TOTAL OF OTHER INCOME AND EXPENSES	**684**	**175**

Note 31 General operating expenses

	06/30/2026	06/30/2025
Employee benefit expense	-3,323	-3,090
Other general operating expenses	-1,682	-1,479
Movements in depreciation, amortization and impairment for property, plant and equipment and intangible assets	-521	-375
General insurance operating expenses (non-attributable)	-77	-82
TOTAL	**-5,603**	**-5,026**

31a Employee benefit expense

	06/30/2026	06/30/2025
Wages and salaries	-2,038	-1,738
Social security contributions	-775	-848
Short-term employee benefits	-2	-1
Employee profit-sharing and incentive schemes	-246	-245
Payroll-based taxes	-263	-258
Other	1	0
TOTAL	**-3,323**	**-3,090**

WORKFORCE

Average workforce (in full-time equivalent)	06/30/2026	06/30/2025
Bank technical staff	41,089	40,498
Managers	34,875	32,851
TOTAL	**75,964**	**73,349**
France	61,247	60,576
Rest of the world	14,717	12,773

The average full-time equivalent headcount (FTE) is limited to the scope of full consolidation.

31b Other operating expenses

	06/30/2026	06/30/2025
Taxes and duties	-187	-206
Leases	-183	-180
■ short-term asset leases	-43	-45
■ low value/substitutable asset leases[1]	-134	-129
■ other leases	-6	-6
Other external services	-1,213	-993
Other income and expenses	-99	-100
TOTAL	**-1,682**	**-1,479**

[1] *Includes IT equipment.*

31c Movements in depreciation, amortization and impairment for property, plant and equipment and intangible assets

	06/30/2026	06/30/2025
Depreciation and amortization:	-455	-378
■ property, plant and equipment	-353	-324
including usage rights	-133	-120
■ intangible assets	-102	-54
Impairment:	-66	3
■ property, plant and equipment	0	0
■ intangible assets	-66	3
TOTAL	**-521**	**-375**

31d Reconciliation of expenses by type versus destination for insurance activities

	06/30/2026	06/30/2025
	Total	**Total**
Employee benefit expense	**-568**	**-539**
Wages and salaries	-474	-458
Social security contributions	-44	-41
Short-term employee benefits	-9	-3
Employee profit-sharing and incentive schemes	-23	-20
Payroll-based taxes	-16	-16
Other	-2	-1
Other operating expenses	**-421**	**-397**
Taxes & duties	-41	-47
Leases	-11	-11
■ short-term asset leases	0	0
■ low value/substitutable asset leases	0	0
■ other leases	-11	-11
Other external services	-328	-308
Patronage	-22	-20
Other miscellaneous expenses	-18	-11
Movements in depreciation, amortization and provisions for property, plant and equipment and intangible assets	**-4**	**-3**
Amortizations	-4	-3
■ PPE	-4	-3
including usage rights	-2	-2
■ Intangible assets	0	0
Write down	0	0
■ PPE	0	0
■ Intangible assets	0	0
General operating expenses related to insurance activities	**-992**	**-939**
Commissions, fees and other similar expenses	-138	-133
Acquisition costs for the period deferred on the balance sheet	13	10
Amortized acquisition costs	0	0
Impaired acquisition costs	0	0
Other expenses related to insurance activities	**-125**	**-123**
TOTAL INSURANCE CONTRACT COSTS	**-1,118**	**-1,063**
Of which insurance contracts attributable costs allocated to insurance services expenses	-1,042	-981
Of which insurance contracts non-attributable costs not allocated to insurance services expenses	-77	-82

Note 32 Cost of counterparty risk

	06/30/2026	06/30/2025
12-month expected losses (S1)	-90	1
Expected losses at termination (S2)	-20	-82
Impaired assets (S3)	-1,102	-821
TOTAL	**-1,212**	**-902**

The cost of risk on financial instruments used in insurance activities is presented in net revenue (see note 29b).

06/30/2026	Allowances	Reversals	Loan losses covered by provisions	Loan losses not covered by provisions	Recovery of loans written off in prior years	TOTAL
12-month expected losses (S1)	**-620**	**530**	**0**	**0**	**0**	**-90**
■ Loans and receivables due from credit institutions at amortized cost	-1	1	0	0	0	0
■ Loans and receivables due from customers at amortized cost	-541	460	0	0	0	-81
of which finance leases	-28	30	0	0	0	2
■ Financial assets at amortized cost - securities	-1	0	0	0	0	-1
■ Financial assets at fair value through equity - Debt securities	-9	9	0	0	0	0
■ Financial assets at fair value through equity - Loans	0	0	0	0	0	0
■ Commitments given	-68	60	0	0	0	-8
Expected losses at termination (S2)	**-1,296**	**1,276**	**0**	**0**	**0**	**-20**
■ Loans and receivables due from credit institutions at amortized cost	0	0	0	0	0	0
■ Loans and receivables due from customers at amortized cost	-1,238	1,218	0	0	0	-20
of which finance leases	-51	42	0	0	0	-9
■ Financial assets at amortized cost - securities	0	0	0	0	0	0
■ Financial assets at fair value through equity - Debt securities	-1	1	0	0	0	0
■ Financial assets at fair value through equity - Loans	0	0	0	0	0	0
■ Commitments given	-57	57	0	0	0	0
Impaired assets (S3)	**-1,886**	**1,419**	**-596**	**-102**	**63**	**-1,102**
■ Loans and receivables due from credit institutions at amortized cost	0	0	0	0	0	0
■ Loans and receivables due from customers at amortized cost	-1,797	1,368	-594	-100	63	-1,060
of which finance leases	-23	13	-7	-2	0	-19
■ Financial assets at amortized cost - securities	0	0	0	0	0	0
■ Financial assets at fair value through equity - Debt securities	0	0	0	0	0	0
■ Financial assets at fair value through equity - Loans	0	0	0	0	0	0
■ Commitments given	-89	51	-2	-2	0	-42
TOTAL	**-3,802**	**3,225**	**-596**	**-102**	**63**	**-1,212**

06/30/2025	Allowances	Reversals	Loan losses covered by provisions	Loan losses not covered by provisions	Recovery of loans written off in prior years	TOTAL
12-month expected losses (S1)	**-660**	**661**	**0**	**0**	**0**	**1**
■ Loans and receivables due from credit institutions at amortized cost	0	0	0	0	0	0
■ Loans and receivables due from customers at amortized cost	-559	580	0	0	0	21
of which finance leases	-34	31	0	0	0	-3
■ Financial assets at amortized cost - securities	0	0	0	0	0	0
■ Financial assets at fair value through equity - Debt securities	-9	7	0	0	0	-2
■ Financial assets at fair value through equity - Loans	0	0	0	0	0	0
■ Commitments given	-92	74	0	0	0	-18
Expected losses at termination (S2)	**-1,367**	**1,285**	**0**	**0**	**0**	**-82**
■ Loans and receivables due from credit institutions at amortized cost	0	0	0	0	0	0
■ Loans and receivables due from customers at amortized cost	-1,282	1,198	0	0	0	-84
of which finance leases	-45	44	0	0	0	-1
■ Financial assets at amortized cost - securities	0	0	0	0	0	0
■ Financial assets at fair value through equity - Debt securities	0	0	0	0	0	0
■ Financial assets at fair value through equity - Loans	0	0	0	0	0	0
■ Commitments given	-85	87	0	0	0	2
Impaired assets (S3)	**-1,541**	**1,244**	**-400**	**-173**	**49**	**-821**
■ Loans and receivables due from credit institutions at amortized cost	0	0	0	0	0	0
■ Loans and receivables due from customers at amortized cost	-1,480	1,197	-400	-171	49	-805
of which finance leases	-19	14	-5	-2	1	-11
■ Financial assets at amortized cost - securities	0	0	0	0	0	0
■ Financial assets at fair value through equity - Debt securities	0	0	0	0	0	0
■ Financial assets at fair value through equity - Loans	0	0	0	0	0	0
■ Commitments given	-61	47	0	-2	0	-16
TOTAL	**-3,568**	**3,190**	**-400**	**-173**	**49**	**-902**

Note 33 Net gains and losses on other assets

	06/30/2026	06/30/2025
Property, plant and equipment and intangible assets	2	2
■ Capital losses on disposals	-13	-14
■ Capital gains on disposals	14	16
Gains/(losses) on disposals of shares in consolidated entities	4	5
TOTAL	**6**	**7**

Note 34 Changes in the value of goodwill

	06/30/2026	06/30/2025
Impairment of goodwill	0	0
Negative goodwill stated in profit or loss	5	1
TOTAL	**5**	**1**

Note 35 Income tax

BREAKDOWN OF INCOME TAX EXPENSE

	06/30/2026	06/30/2025
Current taxes	-918	-1,043
Deferred tax expense/income	-5	-47
Adjustments in respect of prior years	-7	53
TOTAL	**-930**	**-1,037**

The income tax expense includes a surcharge of -€232 million in the first half of 2026, corresponding to the exceptional contribution on the profits of large companies included in the 2026 Finance Act. The surcharge was -€314 million in the first half of 2025.

Note 36 Outstandings on related party transactions

BALANCE SHEET ITEMS PERTAINING TO RELATED PARTY TRANSACTIONS

	06/30/2026		12/31/2025	
	Associates (companies accounted for using the equity method)	Other establishments belonging to the National Confederation	Associates (companies accounted for using the equity method)	Other establishments belonging to the National Confederation
ASSETS				
Financial assets at fair value through profit or loss	45	553	43	552
Financial assets at FVOCI	0	0	0	0
Financial assets at amortized cost	4,354	1,570	5,619	1,359
Investments of insurance activities	0	202	0	264
Insurance contracts issued - Assets	0	0	0	0
Reinsurance contracts held - Assets	0	0	0	0
Other assets	25	11	19	15
TOTAL	**4,424**	**2,336**	**5,681**	**2,190**
LIABILITIES				
Liabilities at fair value through profit or loss	51	203	48	203
Debt securities	0	30	0	28
Due to credit institutions	697	874	690	1,045
Due to customers	7	0	2	0
Insurance contracts issued - liabilities	0	0	0	0
Debt securities	0	55	0	56
Miscellaneous liabilities	0	9	10	1
TOTAL	**755**	**1,172**	**750**	**1,333**
Financing commitments given	140	0	588	0
Guarantees commitments given	19	2	19	4
Financing commitments received	0	0	0	0
Guarantees commitments received	0	700	0	665

BALANCE SHEET ITEMS PERTAINING TO RELATED PARTY TRANSACTIONS

	06/30/2026		06/30/2025	
	Associates (companies accounted for using the equity method)	Other establishments belonging to the National Confederation	Associates (companies accounted for using the equity method)	Other establishments belonging to the National Confederation
Interest income	67	29	69	32
Interest expense	-37	-12	-39	-14
Commission income	0	6	0	7
Commission expense	0	-5	0	-5
Net gains/(losses) on financial assets at FVOCI and FVPL	14	0	31	2
Income from insurance contracts issued	0	3	0	0
Expenses related to insurance contracts issued	0	-65	0	-63
Income and expenses related to reinsurance contracts held	0	0	0	0
Financial income or financial expenses from insurance contracts issued	0	0	0	0
Financial income or expenses related to reinsurance contracts held	0	0	0	0
Net income from financial investments related to insurance activities	0	3	0	3
Other income and expenses	39	38	34	35
General operating expenses	-47	-28	-21	-25
TOTAL	**35**	**-31**	**74**	**-29**

Note 37 Fair value hierarchy of financial instruments recognized at amortized cost

The financial instruments presented in this section include loans and borrowings. They do not include non-monetary items (shares), supplier accounts, other asset and liability accounts, or accruals. Non-financial instruments are not discussed in this section.

The fair value of loans and receivables due from customers is based on a calculation of discounted estimated future cash flows.

The discount rates used depend on the type of loan (home, consumer, equipment and cash loans) and the loan rate curves observed in the quarter preceding the reporting date.

The fair value of financial instruments repayable on demand and regulated customer savings deposits equals the amount that may be requested by the customer, *i.e.* the carrying amount.

Readers are cautioned that loans and receivables carried at amortized cost are not transferable or are not, in practice, sold prior to maturity. As a result, no gains or losses will be recognized.

However, if financial instruments carried at amortized cost were to be sold, their sale price could differ significantly from the fair value calculated at June 30, 2026.

	06/30/2026					
	Market value	Carrying amount	Level 1	Level 2	Level 3	TOTAL
Financial assets at amortized cost	**633,708**	**650,842**	**3,683**	**79,999**	**550,026**	**633,708**
Loans and receivables due from credit institutions	67,547	73,736	0	66,852	696	67,547
Loans and receivables due from customers[(2)]	559,962	570,746	0	10,764	549,197	559,962
Securities	6,199	6,360	3,683	2,383	133	6,199
Investments in insurance business line at amortized cost	**119**	**119**	**0**	**119**	**0**	**119**
Loans and receivables	119	119	0	119	0	119
Financial liabilities at amortized cost	**735,601**	**735,126**	**1,765**	**569,617**	**164,219**	**735,601**
Due to credit institutions	39,659	39,760	0	35,199	4,460	39,659
Due to customers	508,269	507,404	0	352,046	156,223	508,269
Debt securities[(1)]	174,941	175,682	502	171,560	2,879	174,941
Subordinated debt	12,732	12,280	1,263	10,813	655	12,732

(1) *The fair value of financial liabilities at amortized cost in the balance sheet is disclosed above in accordance with IFRS 13.*
(2) *Including unrealized capital gains on hedging swaps (€1.6 billion), the unrealized capital loss on loans amounted to €9.2 billion.*

	12/31/2025					
	Market value	Carrying amount	Level 1	Level 2	Level 3	TOTAL
Financial assets at amortized cost	**601,957**	**618,451**	**3,458**	**78,658**	**519,840**	**601,957**
Loans and receivables due from credit institutions	66,935	73,066	0	65,939	996	66,935
Loans and receivables due from customers [(2)]	529,042	539,232	0	10,329	518,712	529,042
Securities	5,980	6,153	3,458	2,390	132	5,980
Investments in insurance business line at amortized cost	**47**	**47**	**0**	**47**	**0**	**47**
Loans and receivables	47	47	0	47	0	47
Financial liabilities at amortized cost	**693,425**	**692,753**	**1,758**	**531,704**	**159,963**	**693,425**
Due to credit institutions	30,261	30,406	0	30,200	61	30,261
Due to customers	487,635	486,795	0	327,900	159,735	487,635
Debt securities[(1)]	162,393	162,695	501	161,726	166	162,393
Subordinated debt	13,136	12,857	1,257	11,878	0	13,136

(1) *The fair value of financial liabilities at amortized cost in the balance sheet is disclosed above in accordance with IFRS 13.*
(2) *Including unrealized capital gains on hedging swaps (€1.6 billion), the unrealized capital loss on loans amounted to €8.6 billion.*

Note 38 Relations with the group's key executives

On February 20, 2019, the Board of Directors of Caisse Fédérale de Crédit Mutuel implemented a compensation and termination benefits package within Caisse Fédérale de Crédit Mutuel for the Chief Executive Officer.

Following the appointment of Mr. Daniel BAAL as Chairman of the Board of Directors, the Board of Directors' meeting of April 5, 2024, recorded the payment, in respect of the end of his term of office as Chief Executive Officer, of an indemnity of €1,852,500, according to the rules and criteria defined at the Board of Directors meeting of April 6, 2023. The payment of this indemnity is spread over six years.

At June 30, 2026, the amounts allocated and not paid to Mr. Daniel BAAL represent a commitment estimated at €1,063,000 (including social security contributions).

At its meeting on June 10, 2026, the Board of Directors of Caisse Fédérale de Crédit Mutuel acknowledged the resignation of Mr. Éric PETITGAND, effective June 9, as Chief Executive Officer of Caisse Fédérale de Crédit Mutuel, with the result that his employment contract with Caisse Fédérale de Crédit Mutuel automatically resumed on the day following the end of his term as Chief Executive Officer, namely June 10, 2026. Mr. Éric PETITGAND did not receive any termination benefits.

On June 10, 2026, the Board of Directors of Caisse Fédérale de Crédit Mutuel decided, on the proposal of the Appointments Committee, to appoint Claude KOESTNER as Chief Executive Officer – effective manager of Caisse Fédérale de Crédit Mutuel on June 10, 2026. This appointment is accompanied by the implementation of compensation in respect of the term of office of Chief Executive Officer as well as the implementation of termination benefits according to the rules and criteria defined at the Board of Directors meeting of April 6, 2023. The amount of this indemnity may not exceed two years of annual fixed indemnity.

As of June 30, 2026, termination benefits for Mr. Claude KOESTNER represented an estimated commitment of €2,596,000 (including social security contributions).

During the year, the group's key executives also benefited from the group's collective insurance and supplementary pension plans. However, they did not receive any other specific benefits. No equity securities, securities giving access to equity, or securities entitling the holder to acquire equity securities of BFCM or CIC were granted to them. Furthermore, they do not receive attendance fees in connection with the positions they hold—whether in group companies or in other companies—but rather in connection with their roles within the group.

The group's key executives may hold assets or loans with the group's banks, under the conditions offered to all employees.

Note 39 Events after the reporting period and other information

On Thursday, July 16, 2026, Assurances du Crédit Mutuel signed a share disposal agreement with a view to acquiring approximately 3.4% of the share capital of Ardian from AXA.

The transaction will take Assurances du Crédit Mutuel's overall stake in Ardian to approximately 23%.

The transaction is expected to be completed between the end of 2026 and the beginning of 2027, subject to the obtaining of the required regulatory approvals.

5.3 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Caisse Fédérale de Crédit Mutuel

4, rue Frédéric-Guillaume Raiffeisen

67000 Strasbourg, France

Statutory auditors' report on the 2026 interim financial information

Period from January 1, 2026 to June 30, 2026

To the Shareholders' Meeting of Caisse Fédérale de Crédit Mutuel

In performance of the mission entrusted to us by your Shareholders' Meeting and in accordance with the requirements of Article L.451-1-2 III of the French Monetary and Financial Code, we hereby report to you on:

- the limited review of the condensed consolidated interim financial statements of Crédit Mutuel Alliance Fédérale for the period from January 1, 2026 to June 30, 2026, as attached to this report;

- the verification of the information provided in the interim business report.

These condensed consolidated interim financial statements were prepared under the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our limited review.

I - Conclusion on the financial statements

We conducted our limited review according to applicable professional standards in France.

A limited review consists mainly of interviewing the members of management in charge of accounting and financial aspects and implementing analytical procedures.

This work is less extensive than that required for an audit conducted in accordance with the professional standards applicable in France. Consequently, assurance that the financial statements, taken as a whole, are free from material misstatements obtained during a limited review is a moderate assurance, lower than that obtained in the context of an audit.

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34 – IFRS standard as adopted by the European Union applicable to interim financial information.

II - Specific verification

We have also verified the information presented in the interim business report on the condensed consolidated interim financial statements subject to our limited review.

We have no comment to make as to their accuracy or consistency with the condensed consolidated interim financial statements.

Paris-La-Défense, August 5, 2026

KPMG S.A.

Arnaud BOURDEILLE
Partner

Maxime VAN DEN BROEK
Partner

Neuilly-sur-Seine, August 5, 2026

PricewaterhouseCoopers France

Jean-Baptiste DESCHRYVER
Partner

6

BFCM consolidated financial statements

6.1 BFCM CONSOLIDATED FINANCIAL STATEMENTS

6.1.1 Balance sheet

Balance sheet (assets)

(in € millions)	Notes	06/30/2026	12/31/2025
Cash and central banks	4	74,868	73,812
Financial assets at fair value through profit or loss	5a	47,700	36,975
Hedging derivatives	6a	1,175	1,079
Financial assets at fair value through equity	7	57,614	46,536
Securities at amortized cost	10a	6,360	6,153
Loans and receivables due from credit institutions and similar at amortized cost	10b	64,439	62,360
Loans and receivables due from customers at amortized cost	10c	382,203	352,115
Revaluation adjustment on rate-hedged books	6b	-479	-400
Financial investments of insurance activities	13a, 13b	152,510	145,248
Insurance contracts issued - Assets	13	1	5
Reinsurance contracts held - Assets	13	259	245
Current tax assets	14a	800	1,214
Deferred tax assets	14b	881	787
Accruals and miscellaneous assets	15a	8,557	9,055
Non-current assets held for sale		0	0
Investments in equity consolidated companies	16	974	951
Investment property	17	59	56
Property, plant and equipment	18a	2,648	2,558
Intangible assets	18b	1,103	480
Goodwill	19	2,244	2,242
TOTAL ASSETS		**803,916**	**741,473**

Balance sheet (liabilities)

(in € millions)	Notes	06/30/2026	12/31/2025
Central banks	4	9	12
Financial liabilities at fair value through profit or loss	5b	33,548	21,686
Hedging derivatives	6a	2,790	2,733
Debt securities at amortized cost	11a	175,389	162,398
Due to credit and similar institutions at amortized cost	11b	55,952	43,477
Due to customers at amortized cost	11c	313,941	295,688
Revaluation adjustment on rate-hedged books	6b	-24	-17
Current tax liabilities	14a	460	375
Deferred tax liabilities	14b	674	610
Accruals and miscellaneous liabilities	15b	12,656	14,734
Debt related to non-current assets held for sale		0	0
Insurance contracts issued - liabilities	13c, 13d	142,304	134,530
Provisions	20	2,953	3,063
Subordinated debt at amortized cost	21	12,787	13,357
Total shareholders' equity	**22**	**50,477**	**48,825**
Shareholders' equity – Attributable to the group	**22**	**45,398**	**43,850**
Capital and related reserves	22a	6,568	6,568
Consolidated reserves	22a	36,591	33,788
Gains and losses recognized directly in equity	22b, 22c, 22d	651	434
Profit (loss) for the period		1,588	3,060
Shareholders' equity – Non-controlling interests		**5,079**	**4,976**
TOTAL LIABILITIES		**803,916**	**741,473**

6.1.2 Income statement

(in € millions)	Notes	06/30/2026	06/30/2025
Interest and similar income	24	14,933	14,617
Interest and similar expenses	24	-10,782	-11,235
Commissions (income)	25	2,529	2,389
Commissions (expenses)	25	-747	-743
Net gains on financial instruments at fair value through profit or loss	26	264	839
Net gains or losses on financial assets at fair value through shareholders' equity	27	35	16
Net gains or losses resulting from derecognition of financial assets at amortized cost	28	0	2
Income from insurance contracts issued	29, 29a	4,116	3,901
Expenses related to insurance contracts issued	29, 29a	-3,406	-3,170
Income and expenses related to reinsurance contracts held	29	-79	-67
Financial income or financial expenses from insurance contracts issued	29	-4,834	-2,992
Financial income or expenses related to reinsurance contracts held	29	3	3
Net income from financial investments related to insurance activities	29b	4,969	3,115
Income from other activities	30	629	659
Expenses on other activities	30	-232	-784
Net revenue		**7,401**	**6,549**
of which Net income from insurance activities	29, 29a, 29b	770	789
General operating expenses	31, 31a, 31b, 31d	-3,594	-3,231
Movements in depreciation, amortization and provisions for property, plant and equipment and intangible assets	31, 31c	-267	-174
Gross operating income		**3,540**	**3,144**
Cost of counterparty risk	32	-1,103	-782
Operating income		**2,436**	**2,363**
Share of net income of equity consolidated companies	16	31	37
Net gains and losses on other assets	33	2	0
Changes in the value of goodwill	34	5	1
Income before tax		**2,475**	**2,402**
Income taxes	35	-685	-764
Net income		**1,789**	**1,638**
Net income – Non-controlling interests		201	191
NET INCOME ATTRIBUTABLE TO THE GROUP		**1,588**	**1,447**
Earnings per share (in €)	36	46.30	42.17
Diluted earnings per share (in €)	36	46.30	42.17

Statement of net income and gains and losses recognized in shareholders' equity

(in € millions)	06/30/2026	06/30/2025
Net income	**1,789**	**1,638**
Recyclable shareholder's equity in Net income:		
Translation adjustments	63	-203
Revaluation of financial assets at fair value through equity – capital instruments	0	116
Revaluation of hedging derivatives for recyclable assets	9	0
Revaluation of equity instruments recognized at fair value through equity of insurance activities	140	27
Revaluation of insurance contracts in recyclable shareholders' equity	-172	51
Revaluation of reinsurance contracts in recyclable shareholders' equity	-1	2
Share of unrealized or deferred gains and losses of associates	0	-2
Total recyclable gains and losses recognized directly in equity	**37**	**-9**
Non-recyclable shareholder's equity in Net income:		
Revaluation of financial assets at fair value through equity – equity instruments at closing	-13	35
Revaluation of equity instruments recognized at fair value through equity of insurance activities	85	-15
Impact of revaluation of VFA insurance contracts - non-recyclable	5	-6
Revaluation differences related to own credit risk on financial liabilities under FVO	0	0
Revaluation of non-current assets	0	0
Actuarial gains and losses on defined benefit plans	128	-16
Share of non-recyclable gains and losses of equity consolidated companies	0	0
Total non-recyclable gains and losses recognized directly in equity	**204**	**-2**
Net income and gains and losses recognized directly in equity	**2,031**	**1,626**
o/w attributable to the group	**1,806**	**1,413**
o/w percentage of non-controlling interests	**225**	**214**

The items relating to gains and losses recognized directly in equity are presented net of tax.

6.1.3 Changes in shareholders' equity

				Gains and losses recognized directly in equity							
(in € millions)	Capital	Premiums	Reserves[1]	Translation adjustments	Assets at fair value through equity	Derivative hedging instruments	Actuarial gains and losses	Group net income	Shareholders' equity attributable to the group	Non-controlling interests	Total consolidated shareholders' equity
BALANCE AT 12/31/2024	**1,715**	**4,853**	**30,959**	**199**	**59**	**-11**	**-52**	**3,015**	**40,737**	**4,466**	**45,203**
Appropriation of earnings from previous year	0	0	3,015	0	0	0	0	-3,015	0	0	0
Capital increase	0	0	0	0	0	0	0	0	0	0	0
Distribution of dividends	0	0	-171	0	0	0	0	0	-171	-130	-300
Acquisition of additional shareholdings or partial disposals	0	0	0	0	0	0	0	0	0	0	0
Subtotal of movements related to relations with shareholders	**0**	**0**	**2,845**	**0**	**0**	**0**	**0**	**-3,015**	**-171**	**-130**	**-300**
Consolidated income for the period	0	0	0	0	0	0	0	1,447	1,447	191	1,638
Changes in gains and (losses) recognized directly in equity	0	0	0	-204	188	0	-18	0	-34	23	-11
Subtotal	**0**	**0**	**0**	**-204**	**188**	**0**	**-18**	**1,447**	**1,412**	**214**	**1,626**
Impact of acquisitions and disposals on non-controlling interests[2]	0	0	19	0	0	0	0	0	19	3	23
Other changes[3]	0	0	-1	0	0	0	0	0	-1	148	147
BALANCE AT 06/30/2025	**1,715**	**4,853**	**33,822**	**-5**	**247**	**-11**	**-70**	**1,447**	**41,997**	**4,701**	**46,698**
Appropriation of earnings from previous year	0	0	0	0	0	0	0	0	0	0	0
Capital increase	0	0	0	0	0	0	0	0	0	0	0
Distribution of dividends	0	0	1	0	0	0	0	0	1	0	1
Acquisition of additional shareholdings or partial disposals	0	0	0	0	0	0	0	0	0	0	0
Subtotal of movements related to relations with shareholders	**0**	**0**	**1**	**0**	**0**	**0**	**0**	**0**	**1**	**0**	**1**
Consolidated income for the period	0	0	0	0	0	0	0	1,613	1,613	210	1,823
Changes in gains and (losses) recognized directly in equity	0	0	0	-7	220	11	49	0	272	73	345
Subtotal	**0**	**0**	**0**	**-7**	**220**	**11**	**49**	**1,613**	**1,886**	**282**	**2,168**
Impact of acquisitions and disposals on non-controlling interests[2]	0	0	-2	0	0	0	0	0	-2	-13	-16
Other changes	0	0	-32	0	0	0	0	0	-32	6	-26
BALANCE AT 12/31/2025	**1,715**	**4,853**	**33,788**	**-12**	**467**	**0**	**-21**	**3,060**	**43,850**	**4,976**	**48,825**

(in € millions)	Capital	Premiums	Reserves[1]	Gains and losses recognized directly in equity: Translation adjustments	Assets at fair value through equity	Derivative hedging instruments	Actuarial gains and losses	Group net income	Shareholders' equity attributable to the group	Non-controlling interests	Total consolidated shareholders' equity
Appropriation of earnings from previous year	0	0	3,060	0	0	0	0	-3,060	0	0	0
Capital increase	0	0	0	0	0	0	0	0	0	0	0
Distribution of dividends	0	0	-311	0	0	0	0	0	-311	-138	-449
Acquisitions of additional shareholdings or partial disposals	0	0	0	0	0	0	0	0	0	0	0
Subtotal of movements related to relations with shareholders	**0**	**0**	**2,749**	**0**	**0**	**0**	**0**	**-3,060**	**-311**	**-138**	**-449**
Consolidated income for the period	0	0	0	0	0	0	0	1,588	1,588	201	1,789
Changes in gains and (losses) recognized directly in equity	0	0	30	63	23	9	123	0	248	24	272
Subtotal	**0**	**0**	**30**	**63**	**23**	**9**	**123**	**1,588**	**1,836**	**225**	**2,061**
Impact of acquisitions and disposals on non-controlling interests	0	0	2	0	0	0	0	0	2	-2	0
Other changes[3]	0	0	22	0	0	0	0	0	22	18	40
BALANCE AT 06/30/2026	**1,715**	**4,853**	**36,591**	**51**	**490**	**9**	**102**	**1,588**	**45,398**	**5,079**	**50,477**

[1] Total reserves at June 30, 2026 amounted to €36,591 million and comprise the legal reserve for €172 million, statutory reserves for €10,169 million, and other reserves for €26,250 million.
[2] Concerns capital increases outside the group carried out in 2025.
[3] Of which €8 million for ACM in connection with the amendments to IFRS 9 and IFRS 7 applicable from January 1, 2026.

6.1.4 Net cash flow statement

(in € millions)	06/30/2026	06/30/2025
Net income	1,789	1,638
Taxes	685	764
Income before tax	**2,474**	**2,402**
+/- Net depreciation and amortization of property, plant and equipment and intangible assets	231	173
- Impairment of goodwill and other fixed assets	35	2
+/- Net provisions and impairments	389	549
+/- Share of income from companies consolidated using the equity method	-32	-37
+/- Net loss/gain from investing activities	-39	-19
+/- (Income)/expenses from financing activities	0	0
+/- Other movements	5,368	5,421
= Total non-monetary items included in net income before tax and other adjustments	**5,952**	**6,089**
+/- Flows related to transactions with credit institutions	-352	2,327
+/- Flows related to client transactions	-7,482	-10,499
+/- Flows related to other transactions affecting financial assets or liabilities	-803	-9,122
+/- Flows related to other transactions affecting non-financial assets or liabilities	-2,061	-2,581
+ Dividends received from equity consolidated companies	11	12
- Taxes paid	-64	-426
= Net decrease/(increase) in assets and liabilities from operating activities	**-10,751**	**-20,289**
TOTAL NET CASH FLOW GENERATED BY OPERATING ACTIVITIES (A)	**-2,325**	**-11,798**
+/- Flows related to financial assets and investments	-141	-15
+/- Flows related to investment property	20	1
+/- Flows related to property, plant and equipment and intangible assets	-173	-104
TOTAL NET CASH FLOW RELATED TO INVESTING ACTIVITIES (B)	**-294**	**-118**
+/- Cash flow to or from shareholders	-448	-299
+/- Other net cash flows from financing activities	-119	-2,198
TOTAL NET CASH FLOW RELATED TO FINANCING TRANSACTIONS (C)	**-567**	**-2,497**
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS (D)	**120**	**-154**
Net increase/(decrease) in cash and cash equivalents (A + B + C + D)	**-3,066**	**-14,567**
Net cash flow generated from operating activities (A)	-2,325	-11,798
Net cash flow generated to investing activities (B)	-294	-118
Net cash flow related to financing transactions (C)	-567	-2,497
Effect of foreign exchange rate changes on cash and cash equivalents (D)	120	-154
Cash and cash equivalents at opening	**59,215**	**71,896**
Cash, central banks (assets and liabilities)	73,797	86,166
Accounts (assets and liabilities) and demand loans/borrowings from credit institutions	-14,582	-14,270
Cash and cash equivalents at closing	**56,149**	**57,329**
Cash, central banks (assets and liabilities)	74,854	74,995
Accounts (assets and liabilities) and demand loans/borrowings from credit institutions	-18,705	-17,666
CHANGE IN NET CASH POSITION	**-3,066**	**-14,567**

6.2 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF BFCM

The consolidated financial statements as of June 30, 2026, are condensed consolidated financial statements prepared in accordance with IFRS as adopted by the European Union, pursuant to Regulation (EC) No. 1606/2002 on the application of international accounting standards and Regulation (EC) No. 1126/2008 on their adoption.

SUMMARY OF NOTES

Figures in the notes are presented in millions of euros.

Note 1 Accounting policies and principles

Pursuant to Regulation (EC) 1606/2002 on the application of international accounting standards and Regulation (EC) 1126/2008 on their adoption of said standards, the condensed consolidated financial statements have been prepared in accordance with IFRS as adopted by the European Union at June 30, 2026.
These condensed interim consolidated financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting.

The financial statements are presented in the format recommended by the *Autorité des normes comptables* (ANC – French Accounting Standards Authority) recommendation No. 2022-01 on IFRS Summary Financial Statements[1]. They comply with international accounting standards as adopted by the European Union.

The notes included in the appendix to the consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements for the fiscal year ended December 31, 2025, as presented in the 2025 Universal Registration Document.

Information on risk management is included in the group's management report.

Amendments applicable from January 1, 2026

Amendments to IFRS 9 and IFRS 7 relating to the classification and measurement of financial instruments

The European Union has adopted amendments to IFRS 9 – Financial Instruments and IFRS 7 – Financial Instruments: Disclosures relating to the classification and measurement of financial instruments. They are applicable, retrospectively, to fiscal years beginning on or after January 1, 2026.

These amendments clarify the assessment of the "basic" nature of the contractual cash flows of a financial asset, in particular where there are conditional clauses whose achievement depends on environmental, social or governance (ESG) objectives.

The group has developed a range of products designed to address sustainability matters, including loans and securities whose financial terms vary depending on whether the creditor meets social, environmental, or governance objectives. These contingent clauses may trigger [a decrease or an increase] in the instrument's rate of return within a range of approximately -10 bps and +10 bps, thereby altering the cash flows associated with the instrument.
As of June 30, 2026, all of these instruments meet the criteria for a basic loan and are carried at amortized cost.

These amendments also require additional disclosure of equity instruments designated as measured at fair value through other comprehensive income and assets and liabilities with conditional clauses.

The quantitative details related to these amendments will be presented in the complete financial statements as of December 31, 2026.

Finally, these amendments clarify the procedures for derecognizing financial assets and liabilities and introduce an accounting option for the derecognition of financial liabilities settled through electronic payment systems.

Amendments to IFRS 9 and IFRS 7 clarifying how an entity would account for contracts for the purchase and delivery of electricity dependent on natural sources

The European Union has adopted amendments to IFRS 9 – Financial Instruments and IFRS 7 – Financial Instruments: Disclosures clarifying how an entity would account for electricity purchase and delivery contracts dependent on natural sources. They are applicable, retrospectively, to fiscal years beginning on or after January 1, 2026.

The amendments aim in particular to specify the conditions for the application of the "own-use" exemption, which allows, subject to conditions, the exclusion from the scope of IFRS 9 of certain contracts for the supply of electricity from natural sources.

The Group does not have any significant contracts for the delivery of electricity from natural sources.

Highlights

As part of its expansion in Germany, the group completed the acquisition of 100% of the voting rights in Oldenburgische Landesbank AG (OLB) on January 2, 2026, after obtaining all necessary approvals.

With TARGOBANK, ACM Deutschland, and OLB, Crédit Mutuel Alliance Fédérale now offers a full range of universal banking and insurance services in Germany.

The purchase price allocation process results in badwill of €5 million.

The impacts of this consolidation on the consolidated balance sheet are as follows:

[1] *It should be noted that the group has chosen to group the financial instruments carried by its insurance divisions, in a different way from that proposed by the Recommendation. See § 2.2 "Insurance activities".*

Balance sheet of OLB entities (in € millions)	On the acquisition date
Cash and central banks	250
Financial assets at fair value through profit or loss	77
Derivative hedging instruments	19
Financial assets at fair value through shareholders’ equity	6,454
Loans and receivables due from credit institutions and similar at amortized cost	686
Loans and receivables due from customers at amortized cost	25,067
Current tax assets	35
Deferred tax assets	79
Accruals and miscellaneous assets	417
Property, plant and equipment	78
Intangible assets	728
TOTAL ASSETS	**33,890**

Balance sheet of OLB entities (in € millions)	On the acquisition date
Financial liabilities at fair value through profit or loss	88
Derivative hedging instruments	16
Debt securities at amortized cost	3,078
Due to credit and similar institutions at amortized cost	5,350
Due to customers at amortized cost	22,251
Current tax liabilities	3
Accruals and miscellaneous liabilities	110
Provisions	126
Subordinated debt at amortized cost	561
Total shareholders’ equity	**2,308**
TOTAL LIABILITIES	**33,890**

Macroeconomic and geopolitical context

The context of macroeconomic and geopolitical uncertainty persists, with the ongoing crisis in Ukraine and conflicts in the Middle East. As a reminder, since Banque Fédérative du Crédit Mutuel does not operate in these conflict-torn regions, its direct exposure to these countries is insignificant. However, it remains vigilant regarding the indirect consequences of these crises, particularly inflation and rising oil prices.

The group also monitors developments in terms of customs duties, driven by the US government, and the potential economic consequences for its customers.

In light of this situation, the group continuously monitors the quality of its credit commitments, the valuation of its portfolios, interest rate risk management, and its liquidity. The group has a robust governance and risk management framework. Furthermore, the group’s financial strength will enable it to weather this situation thanks to its level of shareholders' equity, regulatory capital, and the resulting ratios.

Credit risk

As part of the provisioning of performing loans (in stage 1 & 2), Banque Fédérative du Crédit Mutuel takes into account the impacts of successive crises, as well as the macroeconomic outlook.

The level of provisioning is the result of a case-by-case analysis, carried out in order to monitor any potential increase in the credit risk of professional customers or companies in difficulty, and individual customers, who would be affected, directly or indirectly, in an economic context that remains severely deteriorated.

Macroeconomic scenarios

As at June 30, 2026, the Group has selected three macroeconomic scenarios, which make it possible to take account of the uncertainties associated with the current macroeconomic context:

- the central scenario incorporates the current conflict in the Middle East and its impacts on the global economy. This conflict would cause the inflation rate to rise to 2.2% by the end of 2026 due to a surge in energy prices, then fall to 1.4% in 2027 due to the base effect, before approaching the target rate in 2028–2029 (1.9%). GDP growth is projected to be weak at 0.8% in 2027 and 2028, then return to its potential rate of 1%. Regarding the ECB’s key interest rates, this scenario calls for rate hikes in 2026 to curb inflation. Once inflation is under control, the ECB would cut rates again by 25 basis points in March 2027, bringing the deposit facility rate back to its equilibrium level of 2.25%. Short-term rates would follow the trajectory of ECB rates. For long-term rates, upward pressure is expected to persist over the forecast horizon given the state of public finances. The Livret A passbook account rate could rise through February 1, 2027 to 2%, before fluctuating in line with the inflation rate;

- the pessimistic scenario envisions a sustained escalation of the conflict in the Middle East, marked by a US ground intervention in Iran, the destruction of major energy infrastructure, and the blockade of the Strait of Hormuz. This situation triggers a significant supply shock in the energy and commodities markets, leading to a sharp and prolonged rise in oil prices as well as lasting disruptions to global supply chains. The resulting inflationary shock spreads to all economies, particularly in Europe. To contain inflation expectations, the ECB raises its key interest rates before initiating monetary easing starting in 2027 amid a global recession. The combination of high inflation, high interest rates, and a decline in economic activity leads to a sharp deterioration in growth prospects as well as a worsening of France's public finances. Starting in 2028, this scenario also incorporates climate transition and physical risks inspired by the NGFS (Network of Central Banks and Supervisors for Greening the Financial System) short-term scenarios. On the one hand, a sudden acceleration of the climate transition triggers inflationary pressures and a rapid appreciation of asset values. On the other hand, a succession of extreme weather events would affect growth, productivity, and employment, while exacerbating economic and financial instability;
- the optimistic scenario is based on the rapid and coordinated implementation of European budgetary plans designed to support decarbonization, productive investment, and the strengthening of the European Union's strategic autonomy. Financed primarily through the issuance of common European debt and a temporary relaxation of the fiscal framework, this investment effort boosts productivity, competitiveness, and growth, further supported by efficiency gains driven by artificial intelligence. On the geopolitical front, the end of conflicts in the Middle East and Ukraine, accompanied by the gradual lifting of related sanctions, helps reduce economic uncertainty and normalize energy prices. In this context, inflation expectations ease, and central banks can gradually return to a neutral or slightly accommodative monetary stance. The scenario also incorporates a reduction in international trade tensions, with greater visibility for European companies and a strengthening of transatlantic economic relations. Finally, the climate transition is proceeding in an orderly manner, in line with the NGFS "Highway to Paris" scenario[1], thanks to the growth of green investments and a gradual reallocation of funding toward sectors contributing to the energy transition.

Macroeconomic variables and projections used in the central scenario

The main variables used to determine expected credit losses in the central scenario are detailed below:

Macroeconomic assumptions France	2026 Average	2027 Average	2028 Average	2029 Average
Inflation rate excluding tobacco	2.20%	1.40%	1.90%	1.90%
Oil price (in $)	82	65	65	65
GDP growth rate	0.80%	0.80%	1.00%	1.00%
Unemployment rate (end of period)	8.10%	8.00%	7.80%	7.70%
MARKET RATE				
Eurozone				
EURIBOR 3 months	2.38%	2.39%	2.35%	2.35%
France				
TEC 10 years	3.74%	3.94%	4.05%	4.15%

Weighting of macroeconomic scenarios

The determination of the weightings reflects the Crédit Mutuel Group economists' outlook on the economic cycle. The probabilities of the scenarios occurring have been revised slightly in favor of the pessimistic scenario, given the escalation of international conflicts.

	Central scenario	Pessimistic scenario	Optimistic scenario
At 06/30/2025	70%	25%	5%
At 12/31/2025	70%	25%	5%
At 06/30/2026	65%	30%	5%

Since 2023, the group has been involved in a cycle of improvements to take into account the forward-looking aspect in the calculations of expected credit losses. Expected credit losses as of June 30, 2026 amounted to €3,023 million, varying by €108 million compared to December 31, 2025.

At June 30, 2026, the group recognized specific post-model adjustments:

- the first reinforces the model's forward-looking dimension, given the strong macroeconomic uncertainties arising from the current economic climate;
- the second is a sectoral adjustment. It helps ensure adequate provisioning notably for sectors most exposed to climate risks (such as agriculture, land, air, and maritime transportation, energy production, metallurgy, coking, and refining). This adjustment focuses on exposures for which credit risk has increased since origination (stage 2) and consists of applying a stress to the probabilities of default for these counterparties.

As of June 30, 2026, these two post-model adjustments amounted to €85 million and €121 million respectively (compared to €85 million and €115 million as of December 31, 2025).

[1] *https://www.ngfs.net/system/files/2025-07/NGFS%20Short-term%20climate%20Scenarios_Technical%20Documentation.pdf*

The adjustments recognized at June 30, 2026, represent 6.8% of the total amount of expected credit losses, *i.e.* on stage 1 and 2 outstandings (compared to 6.9% at December 31, 2025).

Sensitivity analysis

The group assesses the sensitivity of the amount of expected credit losses on stage 1 and 2 outstandings (including post-model adjustment) to economic conditions.
These analyses show that a 100% weighting of the:

- pessimistic scenario would imply an additional provision for expected credit losses of 12.9%, *i.e.* €376 million;
- optimistic scenario would lead, on the contrary, to a decrease in expected credit losses of 14.6%, *i.e.* €425 million;
- central scenario would lead to a reduction in expected credit losses of 5.3%, *i.e.* €153 million.

Information on risk management is included in the group's management report.

1 Consolidation methods and scope

1.1 Consolidating entity

The parent company of the group is Banque Fédérative du Crédit Mutuel.

1.2 Consolidation scope

The general principles for determining whether an entity is included in the scope of consolidation are defined by IFRS 10, IFRS 11 and IAS 28.

Entities that are controlled or over which significant influence is exercised but that are not material to the consolidated financial statements are excluded from the scope of consolidation. This is presumed to be the case when a company's total assets or net income have an impact of no more than 1% on the consolidated or sub-consolidated equivalent (in the case of step consolidation). This quantitative criterion is only relative; an entity may be included in the scope of consolidation notwithstanding this threshold when its business or expected growth qualifies it as a strategic investment.

The scope of consolidation comprises:

Controlled entities: control exists when the group has power over the entity, is exposed to or is entitled to variable returns from its involvement with the entity and has the ability to use its power over the entity to affect the returns it obtains. The financial statements of controlled entities are fully consolidated.

Entities under joint control: joint control is the contractually-agreed sharing of control over an entity, which exists only in the case where decisions concerning key activities require the unanimous consent of the parties sharing control. Two or more parties that exercise joint control constitute a partnership, which is either a jointly controlled operation or a joint venture:

- a jointly controlled operation is a partnership in which the parties exercising joint control have rights over the assets and obligations pursuant to liabilities related to the entity: this involves recognizing the assets, liabilities, income and expenses relative to interests held in the entity;
- a joint venture is a partnership in which the parties who exercise joint control have rights over the net assets of the entity: the joint venture is accounted for according to the equity method.

All entities under joint control of the group are joint ventures according to the meaning of IFRS 11.

Entities over which the group has significant influence: these are entities that are not controlled by the "consolidating" entity, which may, however, participate in these entities' financial and operating policy decisions. The securities of entities over which the group exercises significant influence are accounted for using the equity method.

Certain investments held by insurers or private equity companies and over which joint control or significant influence is exercised are recognized at fair value through profit or loss.

1.3 Consolidation methods

The consolidation methods used are the following:

1.3.1 Full consolidation

This method involves replacing the value of the shares held in the subsidiary concerned with each of the assets and liabilities of said subsidiary and showing separately the value of non-controlling interests in equity and net income. It applies to all entities under exclusive control, including those with different accounting structures, regardless of whether their operations are an extension of those of the "consolidating" entity.

1.3.2 Consolidation using the equity method

This involves replacing the value of the securities with the group's share of the shareholders' equity and earnings of the entities in question. It is applied to all entities under joint control, classified as joint ventures or for all entities under significant influence.

1.4 Non-controlling interests

Non-controlling interests correspond to interests that do not confer control as defined by IFRS 10 and include partnership interests that entitle their holders to a share in net assets in the event of liquidation and other equity instruments issued by subsidiaries that are not held by the group.

1.5 Reporting date

The reporting date for the annual financial statements of all the group's companies in the scope of consolidation is December 31.

1.6 Elimination of intercompany transactions and balances

Intercompany transactions and balances, as well as gains or losses on intercompany sales that have a material impact on the consolidated financial statements, are eliminated.

1.7 Foreign currency translation

For the financial statements of foreign entities denominated in foreign currencies, the balance sheet is translated using the official exchange rate as of the reporting date. The difference in capital, reserves, and retained earnings resulting from changes in exchange rates is recorded in equity under the "Translation Reserves" account. The income statement is converted using the average exchange rate for the fiscal year, which is an acceptable proxy given the absence of significant exchange rate fluctuations during the period. The resulting translation differences are recognized directly in the "Translation Reserves" account. This difference is reclassified to income in the event of the sale or liquidation of all or part of the investment held in the foreign entity.

1.8 Goodwill

1.8.1 Fair value adjustments

At the date of acquisition of a controlling interest in a new entity, said entity's assets, liabilities and contingent liabilities are measured at their fair value. Fair value adjustments corresponding to the difference between the carrying amount and fair value are recognized.

1.8.2 Goodwill

In accordance with IFRS 3, as of the date of obtaining control of a new entity, the identifiable assets, liabilities, and contingent liabilities of the acquired entity that meet the recognition criteria under IFRS are measured at their fair value as of the acquisition date, with the exception of noncurrent assets classified as assets held for sale in accordance with IFRS 5, which are recognized at the lower of their net fair value less costs to sell and their net carrying amount. Goodwill is the sum of the consideration transferred and minority interests, less the net amount recognized (generally at fair value) for the identifiable assets acquired and liabilities assumed. IFRS 3R allows for the recognition of either full or partial goodwill, with the choice made on a business combination-by-combination basis. In the first case, minority interests are measured at fair value (the so-called "total goodwill" method); in the second, they are based on their proportionate share of the values assigned to the acquiree's assets and liabilities ("partial goodwill"). If goodwill is positive, it is recognized as an asset; if it is negative, it is immediately recognized in income under "Changes in the value of goodwill".

If the group's stake in an entity it already controls increases/decreases, the difference between the share acquisition cost/selling price and the portion of consolidated equity that said shares represent on the acquisition/sale date is recognized within equity.

Goodwill is presented on a separate line in the balance sheet for fully consolidated companies and under "Investments in equity consolidated companies" when the entities are consolidated using this method.

Goodwill does not include direct costs related to acquisitions, which according to IFRS 3, are recognized in profit or loss.

The group performs impairment tests on goodwill on a regular basis and at least once a year. The purpose of these tests is to ensure that goodwill has not been impaired. Goodwill arising from a business combination is allocated to cash-generating units (CGUs) or groups of CGUs that are expected to benefit from the synergies of the business combination. The recoverable amount of a CGU or group of CGUs is the higher of its value in use and its fair value less costs to sell. Value in use is assessed based on estimated future cash flows, discounted at a rate that reflects the market's current assessment of the time value of money and the risks specific to the asset or CGU. If the recoverable amount of the cash-generating unit (CGU) to which goodwill is allocated is less than its carrying amount, an impairment loss is recognized in the amount of the difference. This impairment loss, recognized in income, is irreversible. In practice, CGUs are defined based on the business lines in which the group operates.

When goodwill relates to an associate or a joint venture, it is included in the carrying amount of the equity investment. In this case, it is not tested for impairment separately from the equity investment. When the recoverable amount of the equity investment (*i.e.* the higher of its value in use and its fair value less costs to sell) is less than its carrying amount, an impairment loss is recognized and is not allocated to any specific asset. Any reversal of this impairment loss is recognized to the extent that the recoverable amount of the equity method investment subsequently increases.

2 Accounting policies and principles

2.1 Financial instruments under IFRS 9

2.1.1 Classification and measurement of financial assets

Under IFRS 9, the classification and measurement of financial assets depend on the business model and contractual terms of the financial instruments.

2.1.1.1 Loans, receivables and debt securities acquired

The asset is classified and measured as follows:

- at amortized cost, if it is held in order to collect contractual cash flows and if its characteristics are similar to those of a "basic" contract, see the section below "Cash flow characteristics" ("hold-to-collect" model);
- at fair value through equity if the instrument is held to collect the contractual cash flows and to sell them when the opportunity arises, yet without holding it for trading, and if its characteristics are similar to those of a basic contract implicitly entailing a high predictability of associated 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), or
  - the group elects to classify it as such, on an optional basis, at inception and irrevocably. This option is used to reduce accounting mismatch in relation to another associated instrument.

Cash flow characteristics

Contractual cash flows which solely represent repayments of principal and the payment of interest on outstanding principal are compatible with a "basic" contract.

In a basic contract, interest mainly represents the consideration for the time value of money (including in the event of negative interest) and credit risk. Interest may also include liquidity risk, asset management fees, and a profit margin.

All contractual provisions must be analyzed, particularly those that could alter the timing or amount of contractual cash flows. The option, under the agreement, for the creditor or lender to repay the financial instrument early is compatible with the SPPI[(1)] (solely payments of principal and interest) criterion for contractual cash flows, provided that the amount repaid essentially represents the outstanding principal and accrued interest, as well as, where applicable, early repayment compensation of a reasonable amount.

The compensation for early repayment is deemed reasonable if, for example:

- it is expressed as a percentage of the principal repaid and is below 10% of the nominal amount repaid; or
- it is determined according to a formula aimed at compensating the difference in the benchmark interest rate between the date on which the loan was granted and its early repayment date.

The analysis of contractual cash flows may also require comparing them with those of a benchmark instrument when the time value of money component included in the interest is likely to be affected by the instrument's contractual terms. This is the case, for example, when the interest rate of the financial instrument is revised periodically, but the frequency of such revisions is unrelated to the period for which the interest rate was established (*e.g.* monthly revision of an annual interest rate), or when the interest rate of the financial instrument is revised periodically based on an average interest rate.

If the difference between the undiscounted contractual cash flows of the financial asset and those of the reference instrument is significant, or may become so, the financial asset cannot be considered as basic.

Depending on the case, the analysis is either qualitative or quantitative. The significance of the deviation is assessed for each fiscal year and cumulatively over the instrument's life. The quantitative analysis takes into account a range of reasonably possible scenarios. To this end, the group used yield curves dating back to the year 2000.

In addition, a specific analysis is conducted for securitizations, given that there is a priority of payment among holders and concentrations of credit risk in the form of tranches. In that case, the analysis requires the examination of the contractual characteristics of the tranches in which the group has invested and of the underlying financial instruments, as well as the credit risk of the tranches in relation to the credit risk of the underlying financial instruments.

Note that:

- financial assets classified as non-SPPI are recognized at fair value through profit or loss,
- units in UCITS or real estate UCI (OPCI) are not basic instruments and are recognized at fair value through profit or loss.

Business models

The business model represents the way in which financial instruments are managed to generate cash flows and revenue. It is based on observable facts, not merely on management's intentions. It is not assessed at the entity level or on an instrument-by-instrument basis, but is based on a higher level of aggregation that reflects how groups of financial assets are managed collectively. It is determined at the outset and may be reassessed in the event of a change in the model (in exceptional cases).

(1) *SPPI: Solely Payments of Principal and Interest.*

To determine the business model, it is necessary to consider all available information, including the following:

- how the activity's performance is reported to decision-makers;
- how managers are compensated;
- the frequency, timing and volumes of sales in previous periods;
- the reason for the sales;
- future sales forecasts;
- the way in which risk is assessed.

For the "hold-to-collect" business model, certain examples of authorized sales are explicitly set out in the standard:

- in response to an increase in credit risk;
- close to maturity and that the proceeds from these sales correspond approximately to the contractual cash flows still to be received;
- exceptional (*e.g.* linked to a liquidity stress).

Frequent disposals (of insignificant unit value) or infrequent disposals (even if of significant unit value) are compatible with the hold-to-collect model.

These "authorized" disposals are not taken into account in the analysis of the significant and frequent nature of sales made from a portfolio. Disposals linked to changes in the regulatory or tax framework will be documented on a case-by-case basis in order to demonstrate the "infrequent" nature of such disposals.

For other cases of disposals, thresholds have been defined according to the maturity of the securities portfolio, for example 2% of annual disposals on outstanding amounts in the portfolio with an average maturity of eight years (the group does not sell its loans recognized in a collection management model).

The group has mainly developed a model based on the collection of contractual cash flows from financial assets, which applies in particular to the customer financing activities.

It also manages financial assets according to a model based on the collection of contractual cash flows from financial assets and the sale of these assets, as well as a model for other financial assets, in particular financial assets held for trading.

Within the group, the "hold-to-collect-and-sell" model applies primarily to proprietary cash management and liquidity portfolio management activities.

Financial assets held for trading consist of securities originally acquired with the intention of reselling them in the near future, as well as securities that are part of a portfolio of securities that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking.

Financial assets at amortized cost

These mainly include:

- cash and cash equivalents, which comprise cash accounts, deposits, and demand loans and borrowings with central banks and credit institutions;
- other loans to credit institutions and loans to customers (granted directly, or the share in syndicated loans), not measured at fair value through profit or loss;
- a portion of the securities held by the group.

Financial assets classified in this category are initially recognized at fair value, which is generally the net amount disbursed. The rates applied to loans granted are presumed to be market rates, as the rate schedules are continuously adjusted based, in particular, on the rates charged by the vast majority of competing institutions.

Assets are measured at amortized cost at subsequent reporting dates using the effective interest rate method. The effective interest rate is the rate that exactly discounts future cash outflows or inflows over the estimated life of the financial instrument to produce the net carrying amount of the financial asset or liability. It incorporates estimated cash flows without taking future credit losses into account and includes commissions paid or received to the extent they are interest-like, directly attributable transaction costs, and all premiums and discounts.

For securities, the amortized cost takes into account the amortization of premiums and discounts, as well as acquisition costs, if significant. Purchases and sales of securities are recognized on the settlement date.

The income received is shown in the income statement under "Interest and similar income".

Commissions received or paid, which are directly linked to the arrangement of a loan and are treated as a component of interest, are spread over the term of the loan using the effective interest rate method and are recorded in the income statement under "Interest". Commissions received in connection with the commercial renegotiation of loans are also spread over the term of the loan.

The restructuring of a loan due to the borrower's financial difficulties results in a novation of the contract. Following the definition of this concept by the European Banking Authority, the group integrated it into the information systems so that the accounting and prudential definitions are harmonized.

The fair value of assets at amortized cost is disclosed in the notes to the financial statements at the end of each reporting period. It corresponds to the net present value of future cash flows estimated using a zero-coupon yield curve that includes an issuer cost specific to the debtor.

Financial assets at fair value through shareholders' equity

For Banque Fédérative du Crédit Mutuel, this category includes only securities. They are recognized on the balance sheet at fair value at the time of acquisition, on the settlement date and in subsequent financial statements, until their disposal. Changes in fair value are recorded in a specific equity account titled “Unrealized or deferred gains and losses”, excluding accrued income. These unrealized gains or losses recognized in equity are recognized in the income statement only upon disposal or impairment (see sections 2.1.7 “Derecognition of financial assets and liabilities” and 2.1.8 “Measurement of credit risk”).

Income accrued or received is recognized in profit or loss under “Interest and similar income”, using the effective interest rate method.

Financial assets at fair value through profit or loss

They are recognized at fair value at the time of their initial recognition and subsequently up to the date of their disposal (see section 2.1.7 “Derecognition of financial assets and liabilities”). Changes in fair value are recognized in the income statement under the heading “Net gains/(losses) on financial instruments at fair value through profit or loss”.

Income received or accrued on financial instruments at fair value through profit or loss is recognized in the income statement under interest income/(expense)[1].

Purchases and sales of securities measured at fair value through profit or loss are recognized on the settlement date. Changes in fair value between the transaction date and the settlement date are recognized in profit or loss.

Equity instruments acquired (shares, in particular) are classified as follows:

- at fair value through profit or loss; or
- optionally, at fair value through other non-recyclable equity at the initial recognition and in an irrevocable manner when they are not held for trading.

Financial assets at fair value through shareholders’ equity

Shares and other equity instruments are recognized on the balance sheet at their fair value at the time of acquisition, and in subsequent financial statements, until their disposal. Changes in fair value are recorded in a specific equity account titled “Unrealized or deferred gains and losses”. These unrealized gains or losses recognized in equity are never recognized in the income statement, even upon disposal (see section 2.1.7 “Derecognition of financial assets and liabilities”). Only dividends received on variable-income securities are recognized in the income statement, under the heading “Net gains or losses on financial assets at fair value through shareholders’ equity”. Purchases and sales of securities are recognized on the settlement date.

Financial assets at fair value through profit or loss

Equity instruments are recognized in the same way as debt instruments at fair value through profit or loss.

2.1.2 Classification and measurement of financial liabilities

Financial liabilities are classified in one of the following two categories:

2.1.2.1 Financial liabilities at fair value through profit or loss

- those incurred for trading purposes including, by default, derivatives with a negative fair value which do not qualify as hedging instruments; and
- non-derivative financial liabilities that the group originally classified as measured at fair value through profit or loss (fair value option). This includes:
  - financial instruments containing one or more separable embedded derivatives,
  - instruments for which, if the fair value option is not applied, the accounting treatment would be inconsistent with that applied to another related instrument,
  - instruments belonging to a pool of financial instruments measured and managed at fair value.

The recognition of changes in fair value resulting from own credit risk concerning debts optionally designated at fair value through profit or loss is recognized in unrealized or deferred gains and losses in non-recyclable equity. The group is only marginally affected by the issue of its own credit risk.

2.1.2.2 Financial liabilities at amortized cost

They include other non-derivative financial liabilities. These include debts due to customers and to credit institutions, debt securities (certificates of deposit, interbank market securities, bonds etc.), as well as dated and undated subordinated debt for which measurement at fair value through profit or loss was not opted for.

Subordinated debt is separated from other debt securities since, in the event of liquidation of the debtor’s assets, it is repaid only after claims by other creditors have been extinguished. Non-preferred senior securities created under the Sapin 2 Law are classified as debt ésecurities.

These liabilities are initially recognized at fair value in the balance sheet. At subsequent reporting dates, they are measured at amortized cost using the effective interest rate method. For issued securities, the initial fair value is their issue price, if any, less transaction costs.

Regulated savings contracts

Liabilities carried at amortized cost include *comptes épargne logement* (CEL – mortgage saving accounts) and *plans épargne logement* (PEL - mortgage saving plans), which are regulated French products available to customers (natural persons). These products combine an interest-bearing savings phase that entitles the customer to a mortgage in a second phase. They create two types of obligations for the distributing institution:

- an obligation to pay interest on paid-in amounts at a fixed rate (in the case of PEL only, as interest on CEL is regularly revised on the basis of an indexation formula and is therefore treated as variable-rate interest);

[1] *The main characteristics of State-guaranteed loans and the mechanism for triggering the guarantee are summarized in Article 2 of the Order of March 23, 2020 granting state guarantees to credit institutions and financing companies and to the lenders mentioned in Article L.548-1 of the French Monetary and Financial Code.*

- an obligation to grant loans to customers under predetermined terms (both PEL and CEL).

These obligations were estimated based on customer behavior statistics and market data. A provision is recorded on the liability side of the balance sheet to cover future expenses related to the potentially unfavorable terms of these products, compared to the interest rates offered to retail customers for similar products that are not subject to regulatory interest rate caps. This approach is applied on a homogeneous generation basis with respect to the regulated terms of PEL and CEL accounts. The impact on earnings is recorded under interest paid to customers.

2.1.3 Debt-equity distinction

The financial instruments issued by the group are classified as debt instruments in the group's accounts when the group has a contractual obligation to deliver cash to holders of the instruments. This is particularly true for all subordinated notes issued by the group.

2.1.4 Foreign currency transactions

Financial assets and liabilities denominated in a currency other than the functional currency are translated at the exchange rates at the reporting date.

2.1.4.1 Monetary financial assets or liabilities

Foreign currency gains and losses on the translation of such items are recorded in the income statement under "Net gains/(losses) on portfolio at fair value through profit or loss".

2.1.4.2 Non-monetary financial assets or liabilities measured at fair value

Foreign exchange gains or losses arising from such translations are recognized in the income statement under "Net gains/(losses) at fair value through profit or loss" if measured at fair value through profit or loss, or recognized under "Unrealized or deferred capital gains/(losses)" if they are financial assets at fair value through shareholders' equity.

2.1.5 Derivatives and hedge accounting

IFRS 9 allows entities to choose, on first-time application, whether to apply the new provisions concerning hedge accounting or to retain those of IAS 39.

The group has chosen to retain the provisions of IAS 39. However, in accordance with IFRS 7 (revised), additional information on the management of risks and the impacts of hedge accounting on the financial statements is provided in the notes or in the management report.

Moreover, the provisions of IAS 39 concerning the fair value hedge of the interest rate risk associated with a portfolio of financial assets or financial liabilities, as adopted by the European Union, continue to apply.

Derivative financial instruments are instruments which have the following three characteristics:

- their value fluctuates in response to changes in the underlying items (interest rates, exchange rates, share prices, indices, commodities, credit ratings, etc.);
- their initial cost is low or nil;
- their settlement takes place at a future date.

Banque Fédérative du Crédit Mutuel uses simple derivative instruments (swaps, vanilla options), mainly interest rate instruments, which are essentially classified in level 2 of the value hierarchy.

All derivative financial instruments are recognized at fair value on the balance sheet as financial assets or liabilities. They are recognized by default as trading instruments unless they can be classified as hedging instruments.

2.1.5.1 Determining the fair value of derivatives

Most over-the-counter derivatives, swaps, forward rate agreements, caps, floors and vanilla options are valued using standard, generally accepted models (discounted cash flow method, Black and Scholes model or interpolation techniques), based on observable market data such as yield curves. The valuations given by these models are adjusted to take into account the liquidity risk and the credit risk associated with the instrument or parameter in question and specific risk premiums intended to offset any additional costs resulting from a dynamic management strategy associated with the model in certain market conditions, as well as the counterparty risk captured by the positive fair value of over-the-counter derivatives. The latter includes the own counterparty risk present in the negative fair value of over-the-counter derivatives.

When establishing valuation adjustments, each risk factor is considered individually and no effect of diversification between risks, parameters or models of a different nature are taken into account. A portfolio-based approach is most often used for a given risk factor.

Derivatives are recognized as financial assets when their market value is positive and as financial liabilities when their market value is negative.

2.1.5.2 Classification of derivatives and hedge accounting

Derivatives classified as financial assets or financial liabilities at fair value through profit or loss

By default, all derivatives not designated as hedging instruments under IFRS are classified as "Financial assets or financial liabilities at fair value through profit or loss", even if they were contracted for the purpose of hedging one or more risks.

Embedded derivatives

An embedded derivative is a component of a hybrid instrument that, when separated from its host contract, meets the definition criteria for a derivative. In particular, it causes certain cash flows to vary in a manner similar to that of a standalone derivative.

The derivative is detached from the host contract and recognized separately as a derivative instrument at fair value through profit or loss only if all of the following conditions are satisfied:

- it meets the definition criteria of a derivative;
- the hybrid instrument hosting the embedded derivative is not measured at fair value through profit or loss;
- the economic characteristics of the derivative and the associated risks are not considered as being closely related to those of the host contract;
- separate measurement of the embedded derivative is sufficiently reliable to provide relevant information.

As these are financial instruments under IFRS 9, only embedded derivatives relating to financial liabilities may be separated from the host contract to be recognized separately.

Realized and unrealized gains and losses are recognized in the income statement under "Net gains/(losses) on financial instruments at fair value through profit or loss".

Hedge accounting

Risks hedged

In its accounts, the group only recognizes interest rate risk through micro-hedging, or on a larger scale through macro-hedging.

Micro-hedging is a partial hedge of the risks an entity faces with respect to the assets and liabilities it holds. It applies specifically to one or more assets or liabilities for which the entity hedges the risk of an adverse change in a particular type of risk using derivatives.

Macro-hedging aims to cover all of the group's assets and liabilities against any unfavorable changes, particularly in interest rates.

The overall management of the interest rate risk is described in the management report, along with the management of all other risks (foreign exchange, credit, etc.) that may be hedged through the natural backing of assets to liabilities or the recognition of trading derivatives.

Micro-hedging is typically carried out as part of asset swaps. It generally aims to transform a fixed-rate instrument into a variable-rate instrument.

Three types of hedging relationship are possible. The choice of the hedging relationship depends on the nature of the risk being hedged.

- a fair value hedge hedges the exposure to changes in the fair value of financial assets or financial liabilities;
- a cash flow hedge is a hedge of the exposure to variability in cash flows relating to financial assets or financial liabilities, firm commitments or forward transactions;
- the hedging of net investments in foreign currencies is recognized in the same way as cash flow hedging. The group has not used this form of hedging.

Hedging derivatives must meet the criteria stipulated by IAS 39 to be designated as hedging instruments for accounting purposes. In particular:

- the hedging instrument and the hedged item must both qualify for hedge accounting;
- the relationship between the hedged item and the hedging instrument must be formally documented as soon as the hedging relationship is established. This documentation sets out the risk management objectives determined by management, the nature of the risk hedged, the underlying strategy and the methods used to measure the effectiveness of the hedge;
- the effectiveness of the hedge must be demonstrated upon inception of the hedging relationship, subsequently throughout its life, and at least at each reporting date. The ratio of the change in value or gain or loss on the hedging instrument to that of the hedged item must fall within a range of 80% to 125%.

Where applicable, hedge accounting is discontinued prospectively.

- **Fair value hedge of identified financial assets or liabilities**

In the case of a fair value hedge relationship, derivatives are remeasured to fair value through profit or loss under the heading "Net gains/(losses) on financial instruments at fair value through profit or loss", in a manner that mirrors the revaluation of the hedged items through profit or loss related to the hedged risk. This rule also applies if the hedged item is carried at amortized cost or, in the case of a debt instrument, is classified as "Financial assets at fair value through shareholders' equity". Changes in the fair value of the hedging instrument and the hedged risk component offset each other partially or entirely; only any hedge ineffectiveness remains in income. This may result from:

- the "counterparty risk" component integrated in the value of the derivatives;
- the difference in the valuation curve between the hedged items and the hedging instruments. In fact, swaps are valued using an OIS (Overnight Indexed Swap) curve if they are "collateralized" or using a BOR (Borrowing rate) curve otherwise. Hedged items are valued using a BOR curve.

The portion corresponding to the rediscounting of the derivative financial instrument is recognized in the income statement under “Interest income/(expense)”. The same treatment is applied to the interest income or expense relating to the hedged item.

If the hedging relationship is interrupted or the effectiveness criteria are not met, hedge accounting is discontinued on a prospective basis. The hedging derivatives are transferred to “Financial assets or financial liabilities at fair value through profit or loss” and are accounted for in accordance with the principles applicable to this category. The carrying amount of the hedged item is subsequently no longer adjusted to reflect changes in fair value. In the case of interest rate instruments initially identified as hedged, the revaluation adjustment is amortized over their remaining life. If the hedged item has been derecognized in the balance sheet, in particular due to early repayment, the cumulative adjustments are recognized immediately in the income statement.

- **Macro-hedging derivatives**

The group takes advantage of the options provided by the European Commission for accounting for its macro-hedging transactions. In fact, the amendments made by the European Union to IAS 39 (carve-out) allow customer demand deposits to be included in hedged fixed-rate liability portfolios and preclude the recognition of any ineffectiveness in the event of under-hedging. Demand deposits are incorporated in accordance with the run-off patterns defined by asset-liability management.

For each portfolio of financial assets or liabilities bearing a fixed rate, the effectiveness of the hedging relationship is verified through:

- an over-hedging test: the group ensures that, prospectively and retrospectively, the maturity schedule of the hedged items is greater than that of the hedging derivatives;
- a test of non-disappearance of the hedged item, which consists of ensuring that the maximum historically hedged position is lower than the nominal value of the hedged portfolio at the reporting date for each future maturity band and each rate generation;
- a quantitative test: a quantitative test intended to ensure retrospectively that changes in the fair value of the modeled synthetic instrument offset changes in the fair value of the hedging instruments.

The sources of ineffectiveness related to macro-hedging result from mismatches in the curves used to model the hedged portfolios and hedging derivatives, as well as possible mismatches in the interest payments of these items.

The accounting treatment of fair value macro-hedging derivatives is similar to that used for fair value hedging derivatives.

Changes in the fair value of the hedged portfolios are recorded in the balance sheet under “Revaluation adjustment on rate-hedged books”, the counterpart being an income statement line item.

- **Cash flow hedges**

In the case of a cash flow hedging relationship, derivatives are remeasured at fair value in the balance sheet, with the effective portion recognized in equity. The portion deemed ineffective is recognized in the income statement under “Net gains/(losses) on financial instruments at fair value through profit or loss”.

Amounts recognized in equity are reclassified to profit or loss under “Interest income/(expense)” at the same time as the cash flows attributable to the hedged item affect profit or loss.

Hedged items continue to be accounted for in accordance with the rules specific to their accounting category. In the event of a termination of the hedging relationship or failure to meet the effectiveness criteria, hedge accounting is discontinued. The cumulative amounts recognized in equity resulting from the revaluation of the hedging derivative remain in equity until the hedged transaction itself affects income or until it is determined that the transaction will not occur. These amounts are then transferred to income.

If the hedged item no longer exists, the cumulative amounts recorded in equity are immediately transferred to profit or loss.

2.1.6 Financial guarantees and financing commitments

A contract qualifies as a financial guarantee if it requires the issuer to make specific payments to reimburse the policyholder for a loss incurred because a specified debtor fails to make payment on a debt instrument on the due date.

These contracts may be classified as insurance contracts if they transfer a significant insurance risk. In that case, they fall within the scope of IFRS 17 (see note 2.2.2 “Insurance contracts and reinsurance contracts”).

If they provide for payments in response to changes in a financial variable (price, credit rating, index, etc.) or a non-financial variable, provided that in this case the variable is not specific to one of the parties to the contract, then these guarantees are treated as derivatives, falling within the scope of IFRS 9.

Financing commitments that are not considered as derivatives within the meaning of IFRS 9 are not shown on the balance sheet. However, provisions are established for them in accordance with the provisions of IFRS 9.

2.1.7 Derecognition of financial assets and liabilities

The group partly or fully “derecognizes” a financial asset (or a group of similar assets) when the contractual rights to the asset’s cash flows expire (as in the case of commercial renegotiations), or when the group has transferred the contractual rights to the financial asset’s cash flows, as well as most of the risks and advantages linked with ownership of the asset.

Upon “derecognition” of:

- a financial asset or liability at amortized cost or at fair value through profit or loss: a gain or loss on disposal is recognized in the income statement in an amount equal to the difference between the carrying amount of the asset or liability and the amount of the consideration received/paid;

- a debt instrument at fair value through equity: the unrealized gains or losses previously recognized under equity are taken to the income statement, as well as any capital gains/losses on disposal;
- an equity instrument at fair value through equity: the unrealized gains or losses previously recognized under equity, as well as any capital gains/losses on disposal are recognized in consolidated reserves without going through the income statement.

The group "derecognizes" a financial liability when the obligation specified in the contract is extinguished, canceled, or has expired. A financial liability may also be "derecognized" in the event of a material change in its contractual terms and conditions, or an exchange with the lender for an instrument whose contractual terms and conditions are substantially different.

2.1.8 Measurement of credit risk

The impairment model of IFRS 9 is based on an "expected loss" approach, whereas that of IAS 39 was based on an incurred credit loss model, implying that credit losses were recognized too late and too little at the time of the financial crisis.

Under this IFRS 9 model, financial assets for which no objective evidence of impairment exists on an individual basis are impaired on the basis of observed losses as well as reasonable and justifiable future cash flow forecasts.

The IFRS 9 impairment model thus applies to all debt instruments measured at amortized cost or at fair value through equity, as well as to financing commitments and financial guarantees. These outstanding amounts are divided into three categories:

- stage 1 – non-downgraded performing loans: provisioning on the basis of 12-month expected credit losses (resulting from default risks over the following 12 months) from the initial recognition of the financial assets, provided that the credit risk has not increased significantly since initial recognition;
- stage 2 – downgraded performing loans: provisioning on the basis of the expected credit losses at maturity (resulting from default risks over the entire remaining life of the instrument) if the credit risk has increased significantly since initial recognition; and
- stage 3 – non-performing loans: category comprising the financial assets for which there is objective evidence of impairment related to an event that has occurred since the loan was granted.

For stages 1 and 2, the basis of calculation of interest income is the gross value of the asset before impairment while, for stage 3, it is the net value after impairment.

2.1.8.1 Governance

The models for allocation across sub-portfolios, forward-looking scenarios, and methodologies for calculating parameters form the methodological foundation for impairment calculations. They are validated at the highest level of the group and are intended to be applied across all entities based on the relevant portfolios. The entire methodological framework, as well as any changes to the methodology, scenario weightings, or parameter calculations, and the calculation of provisions, must be validated by the Crédit Mutuel Group's executive bodies.

The governing bodies consist of supervisory and executive bodies as defined in Article 10 of the Order of November 3, 2014, on internal control. Given the specificities of the Crédit Mutuel Group's decentralized organizational structure, the supervisory and management body are divided into two levels: the national level and the regional level.

The principle of subsidiarity, applied across the Crédit Mutuel Group, governs the breakdown of roles between national and regional levels, both on a project basis and for the ongoing implementation of the asset impairment calculation methodology.

At the national level, the Basel III Working Group approves the national procedures, models, and methodologies to be applied by regional groups. Any change in the calibration of the scenarios or parameters used in the IFRS 9 provisioning model is validated by this body.

At the regional level, regional groups are tasked with the calculation of the IFRS 9 provisions within their entities, under the responsibility and control of their respective executive and supervisory bodies.

2.1.8.2 Definition of the boundary between stages 1 and 2

The group uses the models developed for prudential purposes and has therefore applied a similar breakdown of its outstandings:

- low default portfolios (LDPs), for which the rating model is based on an expert assessment: Large corporates, Banks, Local governments, Sovereigns, Specialized financing. These portfolios consist of products such as operating loans, short-term operating loans, current accounts etc.;
- high default portfolios (HDPs), for which the default data is sufficient to establish a statistical rating model: mass corporate and retail. These portfolios include products such as home loans, consumer finance, revolving loans, current accounts, etc.

A significant increase in credit risk, which entails transferring a loan out of stage 1 into stage 2, is assessed by:

- taking into account all reasonable and justifiable information; and
- comparing the risk of default on the financial instrument at the reporting date with the risk of default at the initial recognition date.

For the group, this involves measuring the risk at the level of the creditor, where the counterparty rating system is common to the entire group. All of the group's counterparties eligible for internal approaches are rated by the system. This system is based on:

- statistical algorithms or "mass ratings" based on one or more models, using a selection of representative and predictive risk variables (HDPs); or
- rating grids developed by experts (LDPs).

The change in risk since initial recognition is assessed on a contract-by-contract basis. Unlike stage 3, transferring a customer's contract into stage 2 does not entail transferring all of the customer's outstandings or those of related parties (absence of contagion).

Note that the group immediately puts into stage 1 any performing exposure that no longer meets the criteria for stage 2 classification (both qualitative and quantitative).

The group has demonstrated that a significant correlation exists between the probabilities of default at 12 months and at termination, which allows it to use 12-month credit risk as a reasonable approximation of the change in risk since initial recognition, as the standard permits.

Quantitative criteria

For LDP portfolios, the boundary is based on an allocation matrix that relates the internal ratings at origination and at the reporting date. Thus, the riskier the initial rating, the lower the group's relative tolerance for a significant deterioration in risk.

On the HDP portfolios, since December 31, 2023, the group has been committed to adapting the criteria for assessing a significant increase in credit risk, in line with the recommendations issued by the European Banking Authority and the European Central Bank.

In accordance with these new criteria, the group opted for the operational simplification proposed by the standard, which allows low-risk loans at the closing date to be maintained in stage 1 as long as the following three conditions are met:

- the financial asset has a low risk of default;
- the creditor demonstrates a strong ability to meet their short-term contractual cash flow obligations;
- the creditor's ability to meet their short-term contractual obligations is not necessarily impaired by unfavorable changes in longer-term economic and business conditions.

Credit risk is considered to have increased significantly if the probability of default on the instrument has increased by a factor of at least three since origination.

Lastly, the frontier curve formula, which relates the probability of default at inception to the probability of default at the closing date, has been revised to better reflect the prospective dimension within HDPs.

Qualitative criteria

To this quantitative data the group adds qualitative criteria such as installments unpaid or late by more than 30 days, the fact that a loan has been restructured, etc.

Methods based exclusively on qualitative criteria are used for entities or small portfolios that are classified for prudential purposes under the standardized approach and do not have a rating system.

2.1.8.3 Stages 1 and 2 – Calculating expected credit losses

Expected credit losses are calculated by multiplying the outstanding balance, discounted at the contract rate, by its probability of default (PD) and by the loss given default (LGD) rate. Off-balance-sheet items are converted to on-balance-sheet equivalents based on the probability of drawdown. The one-year probability of default is used for stage 1, and the probability-to-maturity curve (one to ten years) is used for stage 2.

These parameters are based on the same values as prudential models and adapted to meet IFRS 9 requirements. They are used both for assigning contracts to stages and for calculating expected losses.

Probability of default

This is based:

- for high default portfolios, on the models approved under the IRB-A (advanced internal rating-based) approach;
- for low default portfolios, on an established external probability-of-default scale;

with historical data dating back to 1981.

Loss given default

This is based:

- for high default portfolios, on the collection flows observed over a long period of time, discounted at the interest rates of the contracts, segmented according to types of products and types of guarantees;
- for low default portfolios, on fixed ratios (60% for sovereign and 40% for the rest).

Conversion factors

For all products, including revolving loans, they are used to convert off-balance-sheet exposure to a balance sheet equivalent and are mainly based on prudential models.

Forward-looking aspect

To calculate expected credit losses, the standard requires that reasonable and justifiable information be taken into account, including forward-looking information. Developing the forward-looking dimension requires anticipating economic developments and linking these expectations to risk parameters. This forward-looking aspect is determined at the group level and is incorporated through the modeling of default probabilities and by adjusting the internal rating migration matrices (or risk parameters).

For high default portfolios, the forward-looking dimension included in the probability of default combines three scenarios – optimistic, neutral and pessimistic – which are weighted to reflect the group's five-year forecast of the business cycle, approved by the Chief Executive Officers of the regional groups and of the Crédit Mutuel Group.

These scenarios are drawn up by the group's economists, taking into account macroeconomic data (GDP, unemployment rate, inflation rate, short-term and long-term interest rates, etc.) published by institutions (IMF, World Bank, ECB, OECD).

The weighting to be attributed to the scenario used to calculate expected credit losses is set at a minimum of 50% for the central scenario, and the weighting of the two alternative scenarios is defined according to the economic cycle anticipated by the group's economists. The weightings are updated at least every six months.

However, the forward-looking approach embedded in the expected credit loss model could be adjusted to incorporate elements that would not have been captured by the scenarios because:

- they are recent, meaning they occurred a few weeks before the reporting date;
- they cannot be included in a scenario: for example, regulatory changes that will certainly have a significant effect on the risk parameters unprecedented in the historical record and whose impact can be measured by making certain assumptions.

Post-model adjustments can be considered to reflect the consequences of climatic events on expected losses or the outlook for deterioration in certain economic sectors.

For low default portfolios, forward-looking information is incorporated into the large corporate/bank models, but not into the local government, sovereign and specialized financing models.

The effects of these adjustments are described above in the paragraph on credit risk.

2.1.8.4 Stage 3 – Non-performing loans

In stage 3, impairment is recognized whenever there is objective proof of impairment due to one or more events occurring after a loan or group of loans has been made that might generate a loss. The impairment is equal to the difference between the carrying amount and the estimated future cash flows, allowing for collateral or other guarantees, present-discounted at the interest rate of the original loan. In the event of a variable rate, it is the most recent contractual rate that is booked.

The Crédit Mutuel Group applies the new definition of prudential default in accordance with EBA guidelines and regulatory technical standards on applicable materiality thresholds, the main elements of which are as follows:

- default analysis is now performed on a daily basis at the creditor level and no longer at the contract level;
- the number of days of late installments is appraised for each creditor (obligor) or group of creditors (joint obligors) in the case of a joint commitment;
- the default is triggered when 90 consecutive days of delinquency are recorded for a creditor or group of creditors. The count of days begins when both the absolute materiality thresholds (€100 for Retail, €500 for Corporate) and the relative materiality threshold (more than 1% of balance sheet commitments in arrears) are exceeded simultaneously. The counter is reset as soon as either threshold is fallen below;
- the default contagion scope extends to all receivables of the creditor and all individual commitments of creditors participating in a joint credit obligation;
- there is a minimum three-month probationary period before non-restructured assets can return to healthy status.

Banque Fédérative du Crédit Mutuel has rolled out the new definition of default on IRB entities using the EBA's two-step approach:

- step 1 – This consists of presenting a self-assessment and an authorization request to the supervisor. The group obtained authorization to proceed in October 2019;
- step 2 – This consists of implementing the new definition of default and then adjusting the models if necessary after an observation period of 12 months for new defaults.

The group believes that this new definition of default, as required by the EBA, constitutes objective evidence of impairment for accounting purposes. The group has therefore aligned the definitions of default for accounting (stage 3) and prudential purposes. This development constitutes a change in accounting estimate, the immaterial impact of which is recognized in income during the fiscal year in which the change occurs.

2.1.8.5 Initially impaired financial assets

These are contracts for which the counterparty is classified as non-performing as of the date of initial recognition or acquisition. If the creditor is non-performing at the reporting date, the contracts are classified into stage 3; otherwise, they are classified as performing loans, identified in an "originated credit-impaired assets" category and provisioned based on the same method used for exposures in stage 2, *i.e.* an expected loss over the residual maturity of the contract.

2.1.8.6 Accounting

Impairment and provision charges are recognized in the cost of counterparty risk. Reversals of impairment charges and provisions are recognized in the cost of counterparty risk for the portion attributable to changes in risk, and in net interest income for the portion attributable to the passage of time. Impairment is deducted from assets for loans and receivables, and provisions are recorded as liabilities under the "Provisions" line item for financing and guarantee commitments (see section 2.1.6 "Financial guarantees and financing commitments" and section 2.3.2 "Provisions"). For assets measured at fair value through equity, the impairment recognized in the cost of risk is offset by "Unrealized or deferred gains and losses".

Loan losses are written off and the related impairments and provisions are reversed.

2.1.9 Determination of fair value of financial instruments

Fair value is the amount for which an asset could be sold, or a liability transferred, between knowledgeable willing parties in an arm's length transaction.

The fair value of an instrument upon initial recognition is generally its transaction price.

In subsequent measurements, this fair value must be determined. The calculation method to be applied varies depending on whether the instrument is traded on a market deemed to be active or not.

2.1.9.1 Instruments traded on an active market

When financial instruments are traded on an active market, fair value is determined based on quoted prices, as these represent the best possible estimate of fair value. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available (from a stock exchange, dealer, broker or pricing service) and those prices represent actual market transactions regularly occurring on an arm's length basis.

2.1.9.2 Instruments traded on a non-active market

Observable market data are used provided they reflect the reality of a transaction at arm's length on the valuation date and there is no need to make an excessive adjustment to said value. In other cases, the group uses unobservable data (mark-to-model).

When observable data is not available, or when market price adjustments require the use of unobservable data, the entity may use internal assumptions regarding future cash flows and discount rates, including adjustments for risks that the market would incorporate. Said valuation adjustments facilitate the inclusion, in particular, of risks not taken into account by the model, as well as liquidity risks associated with the instrument or parameter in question, and specific risk premiums designed to offset certain additional costs that would result from the dynamic management strategy associated with the model under certain market conditions.

When establishing valuation adjustments, each risk factor is considered individually and no effect of diversification between risks, parameters or models of a different nature are taken into account. A portfolio-based approach is most often used for a given risk factor.

In all cases, adjustments are made by the group in a reasonable and appropriate manner, based on judgment.

2.1.9.3 Fair value hierarchy

A three-level hierarchy is used for fair value measurement of financial instruments:

- level 1: price quoted on active markets for identical assets or liabilities; This applies in particular to debt securities quoted by at least three contributors and derivatives listed on an organized market;
- level 2: data other than the level 1 quoted prices, which are observable for the asset or liability concerned, either directly *(i.e.* prices) or indirectly (*i.e.* data derived from prices). Included, in particular, in level 2 are interest rate swaps whose fair value is generally determined with the help of yield curves based on market interest rates observed at the reporting date;
- level 3: data relating to the asset or liability that are not observable market data (non-observable data). The main constituents of this category are investments in non-consolidated companies held in venture capital entities or otherwise and, in the capital markets, debt securities quoted by a single contributor and derivatives using mainly non-observable parameters. The instrument is classified at the same hierarchical level as the lowest level of the input having an important bearing on fair value considered as a whole. Given the diversity and volume of the instruments measured at level 3, the sensitivity of the fair value to a change in the parameters would be immaterial.

2.2 Insurance activities

2.2.1 Financial investments of insurance activities

Financial investments of insurance activities, other than investment property, are valued in accordance with IFRS 9. For more details, see 2.1 Financial Instruments under IFRS 9.

Investment property underlying insurance contracts is measured at fair value through profit or loss in accordance with IAS 40.

2.2.2 Insurance contracts and reinsurance contracts

IFRS 17 defines the new rules for the recognition, measurement and presentation of insurance contracts falling within its scope:

- valuation of insurance contracts on the balance sheet: Their value is updated at each reporting date, based on a re-estimation of the future cash flows associated with their performance. This re-estimation takes into account market data regarding financial information and policyholder behavior;
- recognition of the margin: although the profitability of insurance contracts remains unchanged, the recognition of their margin in profit or loss is modified to be spread over the duration of the insurance service; and
- presentation of the income statement: general operating expenses attributable to the execution of insurance contracts are now presented as a reduction of net revenue under insurance services expenses and therefore no longer affect the total amount of general operating expenses in the consolidated income statement.

The group has adopted the Year To Date (YTD) approach for assessing the various components of accounting models under IFRS 17.

This choice of accounting method is applied to all insurance contracts issued and reinsurance contracts held, and involves disregarding estimates previously made in its interim financial statements.

Scope of application

IFRS 17 applies to insurance contracts issued, reinsurance contracts issued and held, and discretionary participation investment contracts issued.

An insurance contract is a contract under which the issuer assumes a significant insurance risk for the policyholder by agreeing to indemnify the policyholder if the insured event, which is future and uncertain, affects the policyholder unfavorably.

Grouping of contracts

The standard requires the identification of portfolios of insurance contracts, *i.e.* contracts subject to similar risks and managed together.

Each portfolio of insurance contracts issued is then divided into three profitability levels:

- onerous contracts upon initial recognition;
- contracts which, at the time of initial recognition, have no significant possibility of becoming loss-making; and
- the other contracts in the portfolio.

The profitability level of a contract group must be uniform across all the contracts included in the group.

In addition, IFRS 17, as published by the IASB, introduces the principle of annual cohorts, prohibiting contracts issued more than one year apart from each other from being included in the same group.

Nevertheless, the standard as adopted by the European Union provides for an optional exception from the application of this rule for groups of insurance contracts with direct participation features and groups of investment contracts with discretionary participation features whose cash flows affect, or are affected by, cash flows to policyholders of other contracts.

GACM applies this European exception to eligible groups of contracts.

The different levels of aggregation used by GACM are as follows:

Definition of contract portfolios

General model and simplified model contracts are grouped by homogeneous product families, without distinction by guarantee or by legal entity within the same geographic area. Contracts under the VFA (Variable Fee Approach) model are grouped according to the asset portfolio to which they are linked.

Profitability signature and definition of contract groups

Given GACM's approach to contract portfolios, it is clear that contract portfolios present a homogeneous level of profitability by underwriting generation. Consequently, a policy portfolio valued using either the general model or the simplified model will be subdivided into a single group by underwriting year.

For VFA contracts, the contract group corresponds to the contract portfolio, in line with the European exception.

The IFRS 17 contract aggregation level defines the contract aggregation level to be used for measuring insurance contract liabilities and profitability.

Valuation models

General valuation model for insurance contracts (building blocks approach)

Contracts should be valued by default according to a general measurement model as the sum of the following elements:

- fulfillment cash flows:
  - estimates of future cash flows (premiums, benefits, directly attributable costs) weighted by their probability of occurrence,
  - an adjustment to reflect the time value of money (*i.e.* discounting these future cash flows),
  - an adjustment for non-financial risks;
- the contractual service margin (or CSM).

The cash flows included in the contract boundary consist primarily of premiums, benefits, and directly attributable expenses. For savings contracts, this includes in particular free payments as well as the annuity phase in service when the contracts provide for a mandatory annuity payment.

The contractual service margin represents the unearned profit for a group of insurance contracts, *i.e.* the present value of future profits. It is amortized in income from insurance contracts over the coverage period of the contracts, as the insurance entity provides services to policyholders according to the coverage units.

The general model requires an adjustment to the contractual service margin at each reporting date due to changes in cash flows resulting from changes in technical assumptions (mortality, morbidity, longevity, surrenders, expenses, future payments, etc.).

In view of the diversity of insurance contracts, the determination of coverage units requires judgment in considering both the level of coverage defined in the contract (for example, the capital in the event of death for a loan contract) and the expected duration of the contract.

The CSM of a group of contracts cannot be negative; any negative amount of fulfillment cash flows at the start or during the contract is immediately recognized in income.

Discount rate

IFRS 17 requires the use of discount rate curves that reflect the time value of money, as well as the cash flow and liquidity characteristics of insurance contracts. To determine the discount rate, the group applies the bottom-up approach. This methodology consists of summing a liquid risk-free component, based on swap rates, and an adjustment to account for the liquidity characteristics of insurance contracts.

The group uses the EIOPA (European Insurance and Occupational Pensions Authority) yield curve and retains the principles relating to the extrapolation of the risk-free yield curve as part of the revision of the Solvency II directive (general approach of the Council of the European Union) because the latter provide greater coherence and consistency in terms of the financial markets.

The illiquidity premium is determined based on the composition of the portfolio of assets held by the group, as well as market performance indices. It includes both listed bond and non-bond assets.

- for bond assets, the illiquidity premium is assessed by comparing portfolio spreads with the implicit return on credit risk (compensation for the risk of default and rating downgrade);
- for non-bond classes, the illiquidity premium represents the expected outperformance net of market risks. The asset classes in question are real estate, private equity, debt funds, and alternative investments.

The illiquidity premium is then adjusted by an application coefficient to take into account differences in the characteristics of the liabilities.

Adjustment for non-financial risk and confidence level

The adjustment for non-financial risk must reflect the compensation required by the group to support the uncertainty surrounding the amount and timing of cash flows that is generated by the non-financial risk when the group executes insurance contracts.

It was decided to calculate the risk adjustment with a quantile approach using Value at Risk (“VaR”) for all risks. The group considers that a quantile of 80% represents an adequate level of prudence for the underlying technical reserves.

The estimate of the risk adjustment for non-financial risk takes into account the risk diversification effect.

This general model will apply by default to all insurance contracts.

The carrying amount of a group of insurance contracts is remeasured at the end of each subsequent period. It is then equal to the sum of the following two amounts:

- the liability for remaining coverage, which includes the value of the re-estimated execution flows at that date (present value of premiums to be received and future benefit expenses over the remaining coverage period) and the adjusted contractual service margin on the same date as described above;
- the liability for incurred claims, for an amount equal to the present value of the estimated cash flows required to settle valid requests on claims that have already occurred.

On this same reporting date, the amount of the contractual service margin is updated to take into account, notably:

- the effect of new contracts added to the group of contracts;
- interest capitalized at the discount rate used to determine the initial value of the margin;
- the re-estimation of fulfillment cash flows resulting from changes in technical assumptions (present value of premiums to be received and future benefit expenses over the remaining coverage period, excluding estimates of expenses to be paid on claims already incurred that are subject to a separate assessment).

However, if the negative amount related to the discounted future cash flow changes is greater than the amount of the remaining margin, then the negative surplus is immediately recognized in profit or loss. The margin is also capitalized at the rate set at the inception of the contract.

The effect of unwinding the discount on the liability related to the passage of time is recorded in “Financial income or financial expenses from insurance contracts issued” as well as that related to the change in the discount rate. The latter, however, may be recognized in equity at the company’s discretion.

The group applies the option to neutralize the effects of discount rates in shareholders’ equity for the portfolios of insurance contracts valued under the general model.

The group applies the General Measurement Model to long-term personal insurance and protection insurance contracts (in particular real estate creditor contracts, funeral contracts and long-term care contracts).

The coverage units used are calibrated according to the amount insured, therefore without reference to the cost to the insurer.

Variable fee model (Variable Fee Approach)

IFRS 17 provides for an adaptation of the general model for direct participating contracts.
This adapted model, known as the “Variable Fee Approach”, makes it possible to reflect, in the valuation of insurance liabilities, the obligation to pay policyholders a substantial portion of the return on underlying assets net of contract expenses (as the changes in the value of the underlying assets attributable to policyholders are neutralized in the contractual service margin).

Insurance contracts with direct participation features are insurance contracts which, in substance, constitute contracts for investment-related services, where the entity promises a return based on underlying items. They are therefore defined as insurance contracts in which:

- the contractual terms specify that the policyholder is entitled to a share in a clearly defined portfolio of underlying items;
- the entity expects to pay the policyholder an amount corresponding to a substantial portion of the return obtained on the fair value of the underlying items;
- the entity expects any change in the amounts payable to the policyholder to be substantially attributable to changes in the fair value of the underlying items.

Eligibility for VFA is assessed on the basis of these criteria at the inception of the contract and is not reviewed thereafter, except in the event of substantial modification to the contract.

The main adaptations as compared to the General Model relate to:

- the portion of the change in fair value of the underlying investments attributable to the insurer. At each reporting date, it is included in the contractual service margin in order to be recognized in income over the expected remaining coverage period of the contracts;
- interest on the contractual service margin, the changes of which are implicitly included in the periodic revision of the contractual service margin.

The result of these contracts is therefore primarily reflected in the easing of cash flows from contract performance and the amortization of the contractual service margin. Indeed, when the underlying items perfectly back the liabilities and are measured at fair value through profit or loss, the financial result of these contracts is zero. In the event of an accounting mismatch between the underlying assets and the insurance liability, the option to recognize the effect of changes in the liability related to these assets in equity is applicable.

The group applies the VFA model to all of the group's life insurance products (both general fund contracts and unit-linked contracts). The modeling grid used is the portfolio of assets underlying the contracts in question.

The selected cover units are the contracts’ mathematical reserves. Based on this driver, the group had to apply an adjustment factor to amortize the CSM into income and neutralize the bias caused by the so-called “bow wave” effect associated with stochastic modeling in a risk-neutral environment. After applying the adjusted cover unit, the amount of CSM amortized to income in each period takes into account the so-called “real-world” environment and reflects the value provided to policyholders over the period in question.

Simplified approach (Premium Allocation Approach)

The standard also allows, subject to conditions, the application of a simplified approach known as the Premium Allocation Approach to contracts with a duration less than or equal to 12 months or if the application of the simplified approach gives a result close to the General Model.

For profitable contracts, the liability related to the remaining coverage is valued on the basis of the deferral of premiums collected using a logic similar to that used under IFRS 4. Onerous contracts and incurred claims liabilities are valued according to the general model. Liabilities for incurred claims are discounted if the expected settlement of claims takes place after one year from knowledge of the occurrence. In this case, the option of classifying the effect of changes in the discount rate in shareholders’ equity is also applicable.

At each reporting date, the adjustment of liabilities in respect of the remaining coverage and incurred claims is recorded in the income statement.

The group applies the simplified approach to all property and casualty insurance products, and to a lesser extent to certain individual and collective health and protection products.

Main standard-setting options adopted by the group

- Coverage unit for groups of insurance contracts

IFRS 17 defines the concept of a cover unit as a unit that represents the “volume of services […] provided under the contracts”. It specifies that the “volume of services” encompasses two aspects: the “volume of benefits provided” and the “expected coverage period”.

For each contract group, the group has determined a coverage unit to spread the contract service margin (CSM) over the various expected coverage periods, reflecting the quantity of benefits provided over these different periods.

For life and retirement savings contracts, the coverage unit used to amortize the CSM corresponds to the mathematical reserve associated with each contract, adjusted for the impact of the actual return on the underlying investments compared to the risk-neutral actuarial projection.

For creditor protection policies valued according to the general model, the coverage unit used to amortize the CSM corresponds to the sum insured.

Effect of rates neutralized in OCI

Financial income or financial expenses from insurance contracts issued will be presented separately between the income statement and shareholders’ equity for those portfolios for which this breakdown is considered relevant, as permitted by the standard.

The group applies the option of neutralizing the effects of discount rates in shareholders’ equity for personal protection contracts (borrower insurance, funeral insurance, long-term care insurance, etc.) and liabilities for claims arising from property-casualty contracts (personal accident insurance, means of payment, multi-risk property insurance, etc.).

Processing of internal costs

As a banking and insurance conglomerate, the group distributes savings and protection products (borrower insurance, car insurance, home insurance, etc.) and provides the management resources necessary for the operations of its insurance subsidiaries.

The services provided by the banking networks (business contributions, administrative management of contracts, provision of staff or assets, etc.) are compensated by margin commissions based on agreements between the distributing credit institutions and the insurance subsidiaries.

The new model for measuring insurance contracts under IFRS 17 requires a projection in the contract execution cash flows of the acquisition and management costs that will be paid in the future and a presentation in the income statement of, on the one hand, the release of estimated costs for the period and, on the other hand, of the actual costs incurred by the banking dealer networks.

Pursuant to the recommendations of the ESMA (32-63-1320) and the AMF (DOC-2022-06), the group adjusts the internal margin on the balance sheet and the income statement in order to reflect the valuation of insurance contracts, according to IFRS 17, at the level of the Crédit Mutuel Group.

Presentation in the balance sheet and income statement

Insurance contracts issued and reinsurance contracts held are presented in the balance sheet as assets or liabilities depending on the overall position of the portfolios to which they belong (including debts and receivables attributable to the valuation of the contract);

The various income and expense items from insurance and reinsurance contracts are broken down in the consolidated income statement under net revenue, in:

- insurance service result:
  - income from insurance and reinsurance contracts issued,
  - service charges related to insurance and reinsurance contracts issued, and
  - income and expenses related to reinsurance contracts held;
- insurance service financial result:
  - financial income and expenses from insurance and reinsurance contracts issued, and
  - financial income and expenses from reinsurance contracts held.

The income from insurance contracts shows the relaxation of execution flows for the amount expected over the period (excluding investment components), changes in the risk adjustment, the amortization of the contractual service margin in respect of services rendered, the amount allocated to the amortization of acquisition costs and experience differences on premiums;

Service expenses relating to insurance and reinsurance contracts issued, as well as expenses relating to reinsurance contracts held, then include the share of general operating expenses and commissions directly attributable to the execution of contracts, which will thus be recognized as a deduction of net revenue. They also include the initial loss component and its amortization in the case of a portfolio of loss-making contracts.

Retirement Savings insurance contracts include an investment component in the form of a deposit paid by the policyholder and which the insurer is contractually obliged to reimburse even if the insured event does not occur. The inflows and outflows related to these deposits are neither revenue nor expenses associated with these contracts.

Financial income and expenses from insurance and reinsurance contracts mainly include changes in the value of groups of contracts related to the effects of the time value of money and financial risks not included in the estimated cash flows.

Financial income or financial expenses from insurance contracts issued will be presented separately in the income statement and in shareholders’ equity for the portfolios concerned.

Valuation of reinsurance treaties

Reinsurance held is treated in the same way as insurance contracts issued, either under the general model or the simplified model. The contractual service margin representing the expected gain or loss on reinsurance is negative, and contract performance flows include the reinsurer's risk of non-performance.

2.3 Non-financial instruments

2.3.1 Leases

A lease is an agreement whereby the lessor conveys to the lessee in return for a payment or a series of payments the right to use an asset for an agreed period of time.

A finance lease granted by the group is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset to the lessee. Ownership may or may not eventually be transferred.

An operating lease granted by the group represents any lease contract other than a finance lease.

2.3.1.1 Finance lease transactions – Lessor

In accordance with IFRS 16, finance lease transactions with non-group companies are reported in the consolidated balance sheet at their financial accounting amount. Finance leases transfer to the lessees virtually all the risks and rewards incidental to ownership of the leased asset.

And so, the analysis of the economic substance of the transaction results in:
- the leased asset exiting the balance sheet;
- the recognition of a receivable in "Financial assets at amortized cost", for a present value, at the implicit contract rates, of the rental payments to be received under the finance lease contract, increased by any residual value not guaranteed returning to the lessor;
- the recognition of deferred taxes for existing temporary differences throughout the life of the finance lease;
- the recognition as net interest margin, of net revenue from the lease, this being representative of the constant periodic rate of return on the amounts outstanding.

Credit risk related to financial receivables is measured and recognized under IFRS 9 (see section 2.1.8 "Measurement of credit risk").

2.3.1.2 Finance lease transactions – Lessee

In accordance with IFRS 16, usage rights are capitalized under "Property, plant and equipment", with a corresponding lease liability recognized under "Accruals and miscellaneous liabilities". Lease payments are allocated between interest expense and principal repayment.

2.3.2 Provisions

Provisions and reversals of provisions are classified by type under the corresponding item of income or expenditure.

A provision is recognized whenever it is probable that an outflow of resources representing economic benefits will be necessary to extinguish an obligation arising from a past event and when the amount of the obligation can be estimated accurately. The amount of this obligation is discounted, if applicable, to determine the amount of the provision.

The provisions constituted by the group cover, in particular:
- operational risks;
- social commitments;
- execution risk on signature commitments;
- litigation risk and guarantee commitments given;
- tax risks;
- risks related to mortgage saving agreements.

2.3.3 Employee benefits

Employee obligations are, where applicable, covered by a provision recorded under the line item "Provisions". Any movements in this provision are recognized in the income statement under "Employee benefit expense" with the exception of the portion resulting from the revaluation of net liabilities arising from defined benefit plans, recognized in shareholders' equity.

2.3.3.1 Post-employment benefits under a defined benefit plan

These comprise the pension plans, early pension plans and supplementary pension plans under which the group has a formal or implicit obligation to provide employees with predefined benefits.

These obligations are calculated using the projected unit credit method, which involves allocating entitlement to benefits to periods of service by applying the contractual formula for calculating plan benefits. Such entitlements are then discounted using demographic and financial assumptions such as:

- a discount rate, determined by reference to the long-term rate on private-sector borrowings consistent with the term of the commitments;
- the salary increase rate, assessed in accordance with age brackets, employee categories and regional characteristics;
- inflation rates, estimated by comparing French treasury bond rates and inflation-linked French treasury bond rates at different maturities;

- employee turnover rates, determined by age bracket, using the three-year average for the ratio of resignations and dismissals relative to the year-end number of employees under permanent contracts;
- retirement age: estimated on a case-by-case basis using the actual or estimated date of commencement of full-time employment and the assumptions set out in the law reforming pensions, with a ceiling set at 67 years of age;
- mortality according to the INSEE TH/TF 00-02 table.

Differences arising from changes in these assumptions and from discrepancies between prior assumptions and actual results constitute actuarial gains and losses. When the plan holds assets, they are measured at fair value, and the interest income they generate affects net income. The difference between the actual return and the interest income generated by these assets also constitutes an actuarial gain or loss.

Actuarial gains and losses are recognized as unrealized or deferred gains and losses and are recorded in equity. Any curtailments or terminations generate a change in the obligation, which is recognized in the income statement when it occurs.

In accordance with the IFRIC decision of April 20, 2021, the pension obligation under post-employment benefit plans, whose rights are capped on the basis of a number of years of service and subject to the presence of the employee on the date of retirement, is constituted solely over the period preceding the retirement age enabling the ceiling to be reached (or between the employee’s date of entry into the company and the date of retirement if this period is shorter than the ceiling).

2.3.3.2 Post-employment benefits under a defined contribution plan

Group entities contribute to various retirement plans managed by independent organizations, to which they have no formal or implicit obligation to make supplementary payments in the event, particularly, that the fund’s assets are insufficient to meet its commitments.

Since such plans do not represent a commitment for the group, they are not subject to a provision. The expenses are recognized in the fiscal year in which the contribution is due.

2.3.3.3 Other long-term benefits

These represent benefits other than post-employment benefits and termination benefits expected to be paid more than 12 months after the end of the fiscal year in which the staff rendered the corresponding service. They include long-service awards.

The group's commitment in respect of other long-term benefits is measured using the projected unit credit method. However, actuarial gains and losses are recognized immediately in income for the period.

Commitments in respect of long-service awards are sometimes covered by insurance contracts. A provision is set aside only for the portion of this obligation that is not covered.

2.3.3.4 Termination benefits

These are benefits granted by the group when an employment contract is terminated before the usual retirement age or following the employee’s decision to leave the group voluntarily in exchange for an indemnity.

The related provisions are discounted if payment is expected to take place more than 12 months after the reporting date.

2.3.3.5 Short-term benefits

These are benefits, other than termination benefits, payable within 12 months following the reporting date. They include salaries, social security contributions and certain bonuses.

A charge is recognized in respect of short-term benefits in the period in which the services giving rise to the entitlement to the benefit are provided to the entity.

2.3.4 Non-current assets

2.3.4.1 Non-current assets of which the group is owner

Non-current assets reported on the balance sheet include property, plant and equipment and intangible assets used in operations, as well as investment property. Operating assets are used for the purpose of providing services or for administrative purposes. Investment property is real estate holdings held to generate rental income and/or to increase the value of the invested capital. They are accounted for in the same manner as operating properties, using the historical cost method.

Non-current assets are recognized at their acquisition cost plus any costs directly attributable to and necessary for bringing them into working condition for use. They are subsequently measured at amortized historical cost, i.e. their cost less accumulated depreciation and any impairment.

When a non-current asset comprises several components likely to be replaced at regular intervals, with different uses or providing economic benefits over differing lengths of time, each component is recognized separately from the outset and is depreciated or amortized in accordance with its own depreciation schedule. The component-based approach has been adopted for operating and investment property.

The depreciable amount of a non-current asset is determined after deducting its net residual value from its acquisition cost. As the useful life of non-current assets is generally equal to their expected economic life, no residual value is recognized.

Non-current assets are depreciated over the asset’s expected useful life for the company, based on its own estimated rate of consumption of the economic benefits. Intangible assets with an indefinite useful life are not amortized.

Depreciation and amortization charges on operating assets are recognized under “Movements in depreciation, amortization and provisions for operating assets” in the income statement.

Depreciation charges on investment property are recognized under “Expenses on other activities” in the income statement.

The following depreciation and amortization periods are used:

Property, plant and equipment:

- land and network improvements: 15-30 years;
- buildings – shell: 20-80 years (depending on the type of building);
- buildings – equipment: 10-40 years;
- fixtures and fittings: 5-15 years;
- office furniture and equipment: 5-10 years;
- safety equipment: 3-10 years;
- rolling stock: 3-5 years;
- IT equipment: 3-5 years.

Intangible assets:

- software purchased or developed in-house: 1-10 years;
- business goodwill acquired: 9-10 years (if customer contract portfolio acquired).

Depreciable non-current assets are tested for impairment when indicators of impairment are identified as of the reporting date. Non-amortizable intangible assets (such as lease rights prior to the first application of IFRS 16) are tested for impairment at least once a year.

If such an indication of impairment exists, the asset's recoverable amount is compared to its net carrying amount. In the event of impairment, an impairment loss is recognized in the income statement; this adjustment affects the asset's depreciable base prospectively. The impairment loss is reversed if there is a change in the estimate of the recoverable amount or if the indicators of impairment no longer exist. The net carrying amount after reversal of the impairment loss may not exceed the net carrying amount that would have been calculated had no impairment loss been recognized.

Impairment charges and reversals on operating assets are recognized under "Movements in depreciation, amortization and provisions for operating assets" in the income statement.

Impairment charges and reversals on investment property are recognized in the income statement under "Expenses on other activities" and "Income from other activities", respectively.

Capital gains or losses on disposals of operating assets are recorded in the income statement on the line "Net gains/(losses) on other assets".

Gains and losses on the disposal of investment property are recorded in the income statement on the line "Income from other activities" or "Expenses on other activities".

2.3.4.2 Non-current assets of which the group is lessee

For a contract to qualify as a lease, there must be both the identification of an asset and control by the lessee of the right to use said asset.

In respect of the lessee, operating leases and finance leases are recorded in a single model, with recognition of:

- an asset representing the usage right for the leased property during the lease term;
- offset by a liability in respect of the lease payment obligation;
- straight-line depreciation of the asset and an interest expense in the income statement using the diminishing balance method.

The group mainly activates its real estate contracts. The motor fleet was only restated where it was locally significant and computer and safety equipment were not included due to the fact that they are replaceable, in accordance with the standard. Only a limited number of IT contracts deemed significant were activated.

Other underlying assets were precluded through short-term or low value exemptions (set at €5,000). The group has no leases that would give rise to the recognition of an intangible asset or an investment property.

Thus, usage rights are recorded under "Property, plant and equipment", and lease liabilities under "Other liabilities". Leasehold rights are reclassified as property, plant and equipment when they relate to contracts that are not automatically renewed. Usage rights and lease liabilities are subject to deferred tax assets or liabilities for the net amount of taxable and deductible temporary differences.

In the income statement, interest charges appear in "Interest margin" while depreciation/amortization is presented under the heading dedicated to general operating expenses.

For calculating the lease liability, we use:

- the lease term. This represents at least the non-cancellable period of the lease and may be extended to account for any renewal or extension option that the group is reasonably certain to exercise. In accordance with the operational implementation of the group's methodology, any new 3/6/9 commercial lease will be capitalized over a nine-year term by default (or over a term equal to its non-cancellable period in the case of another type of lease). The term of any contract subject to tacit renewal will be extended until the end date of the medium-term plan, which represents a reasonable timeframe for the contract's continuation[1]. In the exceptional case of 3/6/9 leases, the contract will be activated for a term of 12 years, as the group has no economic incentive to remain beyond that period, given that rent caps will be lifted after that time;
- the discount rate is the marginal rate of indebtedness corresponding to the chosen duration. It is a rate that can be amortized by each of the group's refinancing centers and by currency;
- the lease payment, excluding taxes. The group is marginally affected by variable lease payments.

2.3.5 Commissions

The group recognizes commission income and expenses related to services rendered in its income statement based on the nature of the services to which they relate. Thus, commissions considered to be an interest supplement form an integral part of the effective interest rate. These commissions are therefore recognized as interest income and expense.

Fees and commissions linked directly to the grant of a loan are spread using the effective interest rate method.

Fees and commissions remunerating a service provided on a continuous basis are recognized over the period during which the service is provided.

Fees for one-off services are recognized in the income statement in full when the service is performed.

2.3.6 Income tax expense

The income tax expense includes all tax, both current and deferred, payable in respect of the income for the period under review.

The income tax payable is determined in accordance with applicable tax regulations.

The Territorial Economic Contribution (*Contribution économique territoriale* – CET), which is composed of the Business Real Estate Contribution (*Cotisation foncière des entreprises* – CFE) and the Business Contribution on Added Value (*Cotisation sur la valeur ajoutée des entreprises* – CVAE), is treated as an operating expense and, accordingly, the group does not recognize any deferred taxes in the consolidated financial statements.

2.3.6.1 Deferred tax

As required by IAS 12, deferred taxes are recognized in respect of temporary differences between the carrying amount of an asset or liability on the consolidated balance sheet and its taxable value, with the exception of goodwill.

Deferred taxes are calculated using the liability method, applying the income tax rate known at the end of the fiscal year and applicable to subsequent years.

Net deferred tax assets are recognized when it is highly probable that they will be utilized. Current or deferred tax is recognized as income or an expense, except for that relating to unrealized or deferred gains and losses recognized in equity, for which the deferred tax is allocated directly to equity.

Deferred tax assets and liabilities are netted if they arise in the same entity or in the same tax group, are subject to the same tax authority and when there is a legal right to do so.

Deferred tax is not discounted.

International Tax Reform – Pillar 2 Model Rules

The OECD's Pillar 2 rules, taken up by Directive (EU) 2022/2523 and transposed in France by Article 33 of the 2024 Finance Act, are intended to establish a minimum level of worldwide taxation for multinational and large-scale national corporate groups in the European Union.

Under these rules, an additional tax would be payable if the effective tax rate under the OECD's Global Anti-Base Erosion (GLoBe) rules by jurisdiction is less than 15%.

IAS 12 provides for a mandatory exemption from recognizing deferred taxes related to Pillar 2. The amount of the additional tax under Pillar 2 is reported as part of current income tax expense.

The work carried out by the group has made it possible to define the current scope of GLoBE–which, however, covers only a very limited number of jurisdictions–and to identify and measure the potential impacts that could result in the payment of additional taxes in certain jurisdictions. The impact of these tax rules on the group is immaterial.

2.3.6.2 Uncertainties over income tax treatment

In accordance with IFRIC 23, the group assesses the likelihood that the tax authorities will accept or reject a particular accounting treatment. It then determines the resulting effects on taxable income, tax bases, tax loss carryforwards, unused tax credits and rates of taxation.

In the event of an uncertain tax position, the amounts payable are estimated on the basis of the most likely amount or the expected amount according to the method that reflects the best estimate of the amount to be paid or received.

2.3.7 Interest paid by the State on certain loans

As part of measures to support the agricultural and rural sectors, as well as home purchases, certain entities within the group provide loans at reduced interest rates set by the government. Consequently, these entities receive a subsidy from the government equal to the difference between the interest rate offered to customers and a predefined benchmark rate. As a result, no discount is recognized on loans benefiting from these subsidies.

The arrangements governing this offset mechanism are periodically reviewed by the State.

The State subsidies received are recognized under "Interest and similar income" and allocated over the life of the corresponding loans, in accordance with IAS 20.

2.3.8 Non-current assets held for sale and discontinued operations

Non-current assets, or groups of assets, are classified as held for sale if they are available for sale and there is a high probability that their sale will take place within the next 12 months.

The related assets and liabilities are shown separately in the balance sheet, on the lines "Non-current assets held for sale" and "Debt related to non-current assets held for sale". They are carried at the lower of their carrying amount and their fair value less costs to sell, and are no longer amortized.

Any impairment loss on such assets and liabilities is recognized in the income statement.

Discontinued operations consist of businesses held for sale or which have been discontinued, or subsidiaries acquired exclusively with a view to resale. They are presented on a separate line in the income statement under the heading "Gains and losses, net of taxes, on discontinued operations".

2.4 Judgments and estimates used in the preparation of the financial statements

The preparation of the group's financial statements requires the formulation of assumptions in order to make the necessary assessments and involves risks and uncertainties concerning their realization in the future, particularly in the context of the Russian-Ukrainian conflict and in the Middle East and the macroeconomic conditions existing at the reporting date.

The future outcome of such assumptions may be influenced by several factors, in particular:

- the activities of national and international markets;
- fluctuations in interest rates and foreign exchange rates;
- economic and political conditions in certain business sectors or countries;
- climate and environmental change;
- regulatory and legislative changes.

Accounting estimates requiring the formulation of assumptions are mainly used for the measurement of the following:

- the fair value of financial instruments not listed on an active market, the definition of a forced transaction and the definition of observable data require the exercise of judgment;
- insurance contracts, in particular with regard to future execution cash flows;
- pension plans and other future employee benefits;
- impairment on assets, in particular expected credit losses;
- provisions, impairment of intangible assets and goodwill;
- deferred tax assets.

3 Related-party information

Parties related to the group are companies consolidated at the level of the Crédit Mutuel group as a whole, including the other establishments affiliated to the Confédération Nationale du Crédit Mutuel and equity consolidated companies.

Transactions carried out between the group and its subsidiaries and associates are carried out under normal market conditions, at the time these transactions are completed.

The list of consolidated companies is presented in note 3. As transactions carried out and outstandings that exist at the end of the period between the group's consolidated companies are totally eliminated in consolidation, data pertaining to these reciprocal transactions is included in the attached tables only when concerning companies over which the group exercises joint control or significant influence, and is consolidated using the equity method.

4 Standards and interpretations adopted by the European Union and not yet applied

4.1 Standards and interpretations adopted by the European Union

New IFRS 18 standard – Presentation and Disclosure in Financial Statements

The European Union has adopted the new IFRS 18 standard – Presentation and Disclosures in Financial Statements, which will replace IAS 1 effective January 1, 2027.

This new standard largely incorporates the requirements of IAS 1. The new requirements will particularly concern the presentation of the income statement, the information presented in respect of the performance measures defined by management and the aggregation or disaggregation of the quantitative information presented in the financial statements.

The impacts for the Group are currently being assessed.

Note 2 Breakdown of the balance sheet and income statement by business line and geographic area

BFCM group's business lines are as follows:

- Retail banking includes:
  - a) banking network activities: CIC regional banks, BECM, Beobank, TARGOBANK Corporate Banking, Oldenburgische Landesbank,
  - b) consumer finance: TARGOBANK and Cofidis,
  - c) business line subsidiaries: activities whose products are marketed by the network mainly include factoring and equipment leasing and real estate leasing;
- Insurance is composed of Groupe des Assurances du Crédit Mutuel;
- The specialized business lines are comprised of:
  - a) Asset management and private banking activities in France and abroad,
  - b) The Corporate and Institutional Banking (CIB) activity, which includes the activities presented above under:
    - corporate banking: financing for large corporate and institutional customers, structured financing, international business and foreign branches,
    - capital markets: commercial and investment activities (rates, equities and credit),
  - c) Private equity;
- The other business lines include items that cannot be assigned to another business activity, such as intermediate holding companies, non-controlling interests, operating real estate, logistics structures, press, IT entities and intercompany transactions.

The consolidated entities are fully allocated to their core business based on their contribution to the consolidated financial statements. Only three entities are exceptions due to their involvement in multiple business lines:

- CIC and BFCM: in this case, the contribution to the consolidated income statements and balance sheets of these two entities is broken down based on the different business sectors to which they contribute.
- TARGOBANK AG is structured around three activities in Germany: consumer finance, TARGOBANK Factoring and Equipment Finance for the banking network subsidiaries (factoring and leasing) and TARGOBANK Corporate Banking for the banking network.

2a Breakdown of the income statement by business line

06/30/2026	Retail banking	Insurance	Specialized business lines	Other business lines	Total
Net revenue	5,329	831	1,489	-248	7,401
General operating expenses	-3,009	-90	-816	54	-3,861
Gross operating income	**2,320**	**740**	**673**	**-194**	**3,540**
Cost of counterparty risk	-1,076	0	-27	-1	-1,103
Net gains and losses on other assets[1]	-1	0	3	37	**39**
Income before tax	**1,243**	**740**	**649**	**-158**	**2,475**
Income tax	-390	-211	-119	35	-685
Net income	**853**	**529**	**530**	**-123**	**1,789**
Non-controlling interests	-	-	-	-	201
GROUP NET INCOME	**-**	**-**	**-**	**-**	**1,588**

[1] Including net income of entities accounted for using the equity method and impairment losses on goodwill (notes 16 and 19).

06/30/2025	Retail banking	Insurance	Specialized business lines	Other business lines	Total
Net revenue	4,427	822	1,532	-231	6,549
General operating expenses	-2,632	-92	-792	111	-3,405
Gross operating income	**1,795**	**730**	**740**	**-120**	**3,144**
Cost of counterparty risk	-801	0	19	0	-782
Net gains and losses on other assets[1]	0	0	0	39	39
Income before tax	**994**	**730**	**759**	**-81**	**2,402**
Income tax	-351	-235	-180	1	-764
Net income	**643**	**495**	**580**	**-80**	**1,638**
Non-controlling interests	-	-	-	-	191
GROUP NET INCOME	**-**	**-**	**-**	**-**	**1,447**

[1] Including net income of entities accounted for using the equity method and impairment losses on goodwill (notes 16 and 19).

BREAKDOWN OF "RETAIL BANKING" SEGMENT BUSINESS LINES

06/30/2026	Banking network	Consumer loans	Business line subsidiaries	Total Retail banking	Of which Retail banking in Germany
Net revenue	2,953	1,973	403	5,329	1,594
General operating expenses	-1,743	-1,018	-248	-3,009	-773
Gross operating income	**1,210**	**956**	**155**	**2,320**	**821**
Cost of counterparty risk	-421	-623	-33	-1,076	-449
Net gains and losses on other assets	-1	0	1	-1	0
Income before tax	**788**	**333**	**122**	**1,243**	**371**
Income tax	-236	-113	-41	-390	-112
NET INCOME	**552**	**220**	**81**	**853**	**260**

06/30/2025	Banking network	Consumer loans	Business line subsidiaries	Total Retail banking
Net revenue	2,305	1,764	357	4,427
General operating expenses	-1,470	-928	-234	-2,632
Gross operating income	**835**	**836**	**124**	**1,795**
Cost of counterparty risk	-267	-509	-25	-801
Net gains and losses on other assets	-1	1	0	0
Income before tax	**567**	**328**	**99**	**994**
Income tax	-212	-108	-30	-351
NET INCOME	**355**	**220**	**68**	**643**

BREAKDOWN OF THE "SPECIALIZED BUSINESS LINES" SEGMENT BUSINESS LINES

06/30/2026	Asset management and private banking	Corporate and Institutional Banking	Private Equity	Total Specialized business lines
Net revenue	678	641	171	1,489
General operating expenses	-509	-261	-47	-816
Gross operating income	**169**	**380**	**124**	**673**
Cost of counterparty risk	-14	-13	0	-27
Net gains and losses on other assets	3	0	0	3
Income before tax	**158**	**367**	**124**	**649**
Income tax	-37	-87	5	-119
NET INCOME	**121**	**280**	**129**	**530**

Since January 1, 2026, CIC Corporate & Institutional Banking (CIC CIB) has brought together all of Crédit Mutuel Alliance Fédérale's corporate banking and capital markets activities (commercial and investment activities) under a common brand.

06/30/2025	Asset management and private banking	Corporate banking	Capital Markets	Private Equity	Total Specialized business lines
Net revenue	667	323	331	211	1,532
General operating expenses	-498	-96	-150	-47	-792
Gross operating income	**169**	**226**	**182**	**164**	**740**
Cost of counterparty risk	7	15	-2	0	19
Net gains and losses on other assets	0	0	0	0	0
Income before tax	**175**	**241**	**179**	**164**	**759**
Income tax	-47	-83	-55	6	-180
NET INCOME	**129**	**158**	**124**	**169**	**580**

2b Breakdown of income statement by geographic area

	06/30/2026				06/30/2025			
	France	Europe outside France	Other countries (1)	Total	France	Europe outside France	Other countries (1)	Total
Net revenue(2)	4,607	2,621	173	7,401	4,323	2,059	168	6,549
General operating expenses	-2,329	-1,474	-58	-3,861	-2,185	-1,162	-58	-3,405
Gross operating income	**2,277**	**1,147**	**115**	**3,540**	**2,138**	**896**	**110**	**3,144**
Cost of counterparty risk	-485	-621	2	-1,103	-389	-386	-6	-782
Net gains and losses on other assets(3)	22	5	11	39	27	1	11	39
Income before tax	**1,814**	**531**	**129**	**2,475**	**1,776**	**510**	**115**	**2,402**
Total net income	1,322	360	108	1,789	1,184	360	93	1,638
GROUP NET INCOME	**1,133**	**347**	**108**	**1,588**	**1,002**	**351**	**93**	**1,447**

(1) *United States, Canada, South Korea, Singapore, Hong Kong and Tunisia.*
(2) *32.2% of net revenue (excluding logistics and holding) was generated overseas in the first half of 2026 (compared with 32.7% of net revenue in the first half of 2025).*
(3) *Including net income of entities accounted for using the equity method and impairment losses on goodwill.*

Note 3 Consolidation scope

3a Composition of the scope of consolidation

The parent company of the group is Banque Fédérative du Crédit Mutuel.

Since December 31, 2025, the changes in the scope of consolidation are as follows:

- Additions: Oldenburgische Landesbank AG (OLB), Weser Funding SA, CLUBIC, Transatlantique Private Wealth LLC
- Merger: TUP of the Groupe Républicain Lorrain Imprimeries (GRLI) with EBRA
- Disposal: N/A.

		06/30/2026			12/31/2025		
	Country	Percentage Control	Percentage Interest	Method*	Percentage Control	Percentage Interest	Method*
A. BANKING NETWORK							
Banque Européenne du Crédit Mutuel (BECM)	France	96	96	FC	96	96	FC
Beobank	Belgium	51	51	FC	51	51	FC
CIC Est	France	100	100	FC	100	100	FC
CIC Lyonnaise de Banque (LB)	France	100	100	FC	100	100	FC
CIC Lyonnaise de Banque Monaco (CIC LB branch)	Monaco	100	100	FC	100	100	FC
CIC Nord Ouest	France	100	100	FC	100	100	FC
CIC Ouest	France	100	100	FC	100	100	FC
CIC Sud Ouest	France	100	100	FC	100	100	FC
Crédit Industriel et Commercial (CIC)	France	100	100	FC	100	100	FC
Oldenburgische Landesbank AG	Germany	100	100	FC			NC
B. CONSUMER LOANS							
Cofidis Belgium	Belgium	100	100	FC	100	100	FC
Cofidis France	France	100	100	FC	100	100	FC
Cofidis Spain (branch of Cofidis France)	Spain	100	100	FC	100	100	FC
Cofidis Hungary (branch of Cofidis France)	Hungary	100	100	FC	100	100	FC
Cofidis Portugal (branch of Cofidis France)	Portugal	100	100	FC	100	100	FC
Cofidis SA Poland (branch of Cofidis France)	Poland	100	100	FC	100	100	FC
Cofidis SA Slovakia (branch of Cofidis France)	Slovakia	100	100	FC	100	100	FC
Cofidis Italy (branch of Cofidis France)	Italy	100	100	FC	100	100	FC
Cofidis Czech Republic	Czech Republic	100	100	FC	100	100	FC
Creatis	France	100	100	FC	100	100	FC
MCB (Magyar Cofidis Bank Zrt.)	Hungary	100	100	FC	100	100	FC
Margem-Mediação Seguros, Lda	Portugal	100	100	FC	100	100	FC
Monabanq	France	100	100	FC	100	100	FC
TARGOBANK AG	Germany	100	100	FC	100	100	FC
C. BANKING NETWORK SUBSIDIARIES							
Bail Actea	France	100	100	FC	100	100	FC
Bail Actea Immobilier	France	100	100	FC	100	100	FC
CCLS Leasing Solutions	France	100	100	FC	100	100	FC
Crédit Mutuel Caution Habitat	France	100	100	FC	100	100	FC
Crédit Mutuel Factoring	France	100	100	FC	100	100	FC
Crédit Mutuel Home Loan SFH	France	100	100	FC	100	100	FC
Crédit Mutuel Immobilier	France	100	100	FC	100	100	FC
Crédit Mutuel Leasing	France	100	100	FC	100	100	FC
Crédit Mutuel Leasing Espagne (branch of Crédit Mutuel Leasing)	Spain	100	100	FC	100	100	FC
Crédit Mutuel Leasing Benelux	Belgium	100	100	FC	100	100	FC
Crédit Mutuel Leasing Nederland (branch of Crédit Mutuel Leasing Benelux)	Belgium	100	100	FC	100	100	FC
Crédit Mutuel Leasing Gmbh	Germany	100	100	FC	100	100	FC
Crédit Mutuel Real Estate Lease	France	100	100	FC	100	100	FC

		06/30/2026			12/31/2025		
	Country	Percentage Control	Percentage Interest	Method*	Percentage Control	Percentage Interest	Method*
Factofrance SA	France	100	100	FC	100	100	FC
FCT Crédit Mutuel Factoring	France	100	100	FC	100	100	FC
FCT Factofrance	France	100	100	FC	100	100	FC
Gesteurop	France	100	100	FC	100	100	FC
LYF SA	France	46	46	EM	46	46	EM
Paysurf	France	51	64	FC	51	64	FC
Targo Factoring GmbH	Germany	100	100	FC	100	100	FC
Targo Finanzberatung GmbH	Germany	100	100	FC	100	100	FC
Targo Leasing GmbH	Germany	100	100	FC	100	100	FC
Targo Leasing GmbH, Austria (branch of Targo Leasing)	Germany	100	100	FC	100	100	FC
Targo Versicherungsvermittlungs GmbH	Germany	100	100	FC	100	100	FC
Weser Funding S.A.	Luxembourg	100	100	FC			NC
D. CORPORATE BANKING AND CAPITAL MARKETS							
Caroline 1	France	100	100	NC	100	100	NC
CIC Bruxelles (branch of CIC)	Belgium	100	100	FC	100	100	FC
CIC Hong Kong (branch of CIC)	Hong Kong	100	100	FC	100	100	FC
CIC Londres (branch of CIC)	United Kingdom	100	100	FC	100	100	FC
CIC New York (branch of CIC)	USA	100	100	FC	100	100	FC
CIC Singapour (branch of CIC)	Singapore	100	100	FC	100	100	FC
Satellite	France	100	100	FC	100	100	FC
E. ASSET MANAGEMENT AND PRIVATE BANKING							
Banque de Luxembourg	Luxembourg	100	100	FC	100	100	FC
Banque du Luxembourg Belgique (branch of Banque de Luxembourg)	Belgium	100	100	FC	100	100	FC
Banque de Luxembourg Investments SA (BLI)	Luxembourg	100	100	FC	100	100	FC
Banque Transatlantique (BT)	France	100	100	FC	100	100	FC
Banque Transatlantique Belgium	Belgium	100	100	FC	100	100	FC
Banque Transatlantique Londres (branch of BT)	United Kingdom	100	100	FC	100	100	FC
Banque Transatlantique Luxembourg	Luxembourg	100	100	FC	100	100	FC
CIC Private Debt	France	100	60	FC	100	60	FC
CIC Suisse	Switzerland	100	100	FC	100	100	FC
Cigogne Management	Luxembourg	100	60	FC	100	60	FC
Crédit Mutuel Asset Management	France	100	60	FC	100	60	FC
Crédit Mutuel Épargne Salariale	France	100	65	FC	100	65	FC
Crédit Mutuel Gestion	France	100	60	FC	100	60	FC
Crédit Mutuel Impact	France	100	60	FC	100	60	FC
Dubly Transatlantique Gestion	France	100	100	FC	100	100	FC
La Française Group	France	60	60	FC	60	60	FC
La Française Finance Services (LFFS)	France	100	60	FC	100	60	FC
LFFS Luxembourg (branch of LFFS)	Luxembourg	100	60	FC	100	60	FC
LFFS Italie (branch of LFFS)	Italy	100	60	FC	100	60	FC
LFFS Espagne (branch of LFFS)	Spain	100	60	FC	100	60	FC
La Française Group Korea Limited	South Korea	100	60	FC	100	60	FC
La Française Group UK Finance Limited	United Kingdom	100	58	FC	100	58	FC
La Française Group UK Limited	United Kingdom	100	60	FC	100	60	FC
La Française Group UK Limited Allemagne (branch of LFG UK Limited)	Germany	100	60	FC	100	60	FC
La Française Group Singapore PTE Limited	Singapore	100	60	FC	100	60	FC
La Française Real Estate Managers	France	97	58	FC	97	58	FC

	Country	06/30/2026			12/31/2025		
		Percentage Control	Percentage Interest	Method*	Percentage Control	Percentage Interest	Method*
La Française Systematic Asset Management GmbH	Germany	100	60	FC	100	60	FC
LFP Multi Alpha	France	100	60	FC	100	60	FC
New Alpha Asset Management	France	67	40	FC	67	40	FC
Transatlantique Private Wealth LLC	USA	100	100	FC			NC
F. PRIVATE EQUITY							
CIC Capital Belgium	Belgium	100	100	FC	100	100	FC
CIC Capital Canada Inc	Canada	100	100	FC	100	100	FC
CIC Capital Deutschland Gmbh	Germany	100	100	FC	100	100	FC
CIC Capital Suisse SA	Switzerland	100	100	FC	100	100	FC
CIC Conseil	France	100	100	FC	100	100	FC
Crédit Mutuel Capital	France	100	100	FC	100	100	FC
Crédit Mutuel Equity	France	100	100	FC	100	100	FC
Crédit Mutuel Equity SCR	France	100	100	FC	100	100	FC
Crédit Mutuel Innovation	France	100	100	FC	100	100	FC
G. OTHER BUSINESS LINES							
Affiches d'Alsace Lorraine	France	100	99	FC	100	99	FC
Alsacienne de Portage des DNA	France	100	99	FC	100	99	FC
Banque de Tunisie	Tunisia	35	35	EM	35	35	EM
Carizy	France	100	100	FC	100	100	FC
CIC Participations	France	100	100	FC	100	100	FC
Clubic	France	100	100	FC			NC
Cofidis Group	France	100	100	FC	100	100	FC
Crédit Mutuel Titres	France	75	72	FC	75	72	FC
EBRA Académie	France	100	100	FC	100	100	FC
EBRA	France	100	100	FC	100	100	FC
EBRA Éditions	France	100	100	FC	100	100	FC
EBRA Events	France	100	100	FC	100	100	FC
EBRA Info	France	100	100	FC	100	100	FC
EBRA Médias Bourgogne Rhone-Alpes	France	100	100	FC	100	100	FC
EBRA Portage Bourgogne Rhone-Alpes	France	100	100	FC	100	100	FC
EBRA Portage Dauphiné Savoie	France	100	100	FC	100	100	FC
EBRA Productions	France	100	100	FC	100	100	FC
EBRA Services	France	100	100	FC	100	100	FC
EBRA Studios	France	100	100	FC	100	100	FC
Est Bourgogne Médias	France	100	100	FC	100	100	FC
Euro Protection Surveillance	France	22	22	EM	22	22	EM
Euro Protection Surveillance Belgique (branch of EPS)	Belgium	22	22	EM	22	22	EM
Euro-Information	France	27	27	EM	27	27	EM
Foncière Massena	France	100	66	FC	100	66	FC
Foncière Massena Belgique (branch of Foncière Massena)	Belgium	100	66	FC	100	66	FC
Fonds Révolution Environnementale et Solidaire	France	100	83	FC	100	83	FC
France Régie	Germany	100	100	FC	100	99	FC
GEIE Synergie	France	100	100	FC	100	100	FC
Gens d'Évènement	France	70	70	FC	70	70	FC
Groupe Progrès	France	100	100	FC	100	100	FC
Groupe Républicain Lorrain Imprimeries (GRLI)	France			ME	100	100	FC
Humanoid	France	100	81	FC	100	81	FC
Journal de la Haute Marne	France	50	50	EM	50	50	EM

		06/30/2026			12/31/2025		
	Country	Percentage Control	Percentage Interest	Method*	Percentage Control	Percentage Interest	Method*
KCIOP	France	100	100	FC	62	62	FC
La Liberté de l'Est	France	100	100	FC	100	100	FC
La Tribune	France	100	100	FC	100	100	FC
Le Dauphiné Libéré	France	100	100	FC	100	100	FC
Le Républicain Lorrain	France	100	100	FC	100	100	FC
Lemon Start	France	100	81	FC	100	81	FC
Les Dernières Nouvelles d'Alsace	France	99	99	FC	99	99	FC
L'Est Républicain	France	100	100	FC	100	100	FC
Loire Évènement Organisation	France	55	55	FC	55	55	FC
Lumedia	Luxembourg	50	50	EM	50	50	EM
Media des massifs français	France	68	68	FC	68	68	FC
Mediaportage	France	100	100	FC	100	100	FC
Mutuelles Investissement	France	100	97	FC	100	97	FC
Oddity H.	France	81	81	FC	81	81	FC
Presstic Numerama	France	100	81	FC	100	81	FC
Pro Expo Services	France	100	55	FC	100	55	FC
RES 1	France	100	83	FC	100	83	FC
RES 2	France	100	83	FC	100	83	FC
SAP Alsace	France	100	100	FC	100	100	FC
SCI 14 Rue de Londres	France	100	66	FC	100	66	FC
SCI ACM	France	100	65	FC	100	65	FC
SCI La Tréflière	France	46	46	EM	46	46	EM
SCI Le Progrès Confluence	France	100	100	FC	100	100	FC
SCI Provence Lafayette	France	100	66	FC	100	66	FC
SCI Saint Augustin	France	100	66	FC	100	66	FC
Société d'Edition de l'Hebdomadaire du Louhannais et du Jura (SEHLJ)	France	100	100	FC	100	100	FC
Sofedis	France	65	65	FC	65	65	FC
Targo Deutschland GmbH	Germany	100	100	FC	100	100	FC
Targo Dienstleistungs GmbH	Germany	100	100	FC	100	100	FC
Targo Technology GmbH	Germany	100	100	FC	100	100	FC
H. INSURANCE COMPANIES							
ACM Belgium Life SA	Belgium	100	66	FC	100	66	FC
ACM Capital	France	100	65	FC	100	65	FC
ACM Deutschland AG	Germany	100	82	FC	100	82	FC
ACM Lebensversicherung AG	Germany	100	82	FC	100	82	FC
ACM Versicherung AG	Germany	100	82	FC	100	82	FC
ACM GIE	France	100	66	FC	100	66	FC
ACM IARD	France	100	66	FC	100	66	FC
ACM Vie SA	France	100	66	FC	100	66	FC
ACM Vie, Société d'Assurance Mutuelle	France	100	66	FC	100	66	FC
Groupe des Assurances du Crédit Mutuel (GACM)	France	66	66	FC	66	66	FC

** Method: FC= Full Consolidation; EM = Equity Method; NC = Not Consolidated. M = Merged*

3b Fully consolidated entities with significant non-controlling interests

06/30/2026	Percentage of non-controlling interests in the consolidated financial statements				Financial information regarding fully-consolidated entities[1]			
	Percentage of interest/ Percentage of voting rights	Net income attributable to non-controlling interests	Amount in shareholder s' equity of non-controlling interests	Dividends paid to non-controlling interests	Balance sheet total	Net income	Undisclosed reserves	Net revenue
Groupe des Assurances du Crédit Mutuel (GACM)	34%	182	3,638	-119	165,443	511	1,003	806
Beobank	49%	12	584	0	13,273	12	39	157

[1] *Amounts before elimination of intercompany balances and transactions.*

12/31/2025	Percentage of non-controlling interests in the consolidated financial statements				Financial information regarding fully-consolidated entities [1]			
	Percentage of interest/ Percentage of voting rights	Net income attributable to non-controlling interests	Amount in shareholder s' equity of non-controlling interests	Dividends paid to non-controlling interests	Balance sheet total	Net income	Undisclosed reserves	Net revenue
Groupe des Assurances du Crédit Mutuel (GACM)	34%	348	3,383	-116	156,593	991	943	1,534
Beobank	49%	25	563	-7	12,799	33	36	306

[1] *Amounts before elimination of intercompany balances and transactions.*

Note 4 Cash and central banks (assets/liabilities)

	06/30/2026	12/31/2025
Cash, central banks – asset		
Central banks	74,405	73,234
of which mandatory reserves	4,431	2,689
Local bank	463	578
TOTAL	**74,868**	**73,812**
Central banks – liability	**9**	**12**

Note 5 Financial assets and liabilities at fair value through profit or loss

5a Financial assets at fair value through profit or loss

	06/30/2026				12/31/2025			
	Transaction	Fair value option	Other FVPL	Total	Transaction	Fair value option	Other FVPL	Total
Securities	**14,715**	**623**	**6,882**	**22,220**	**11,373**	**609**	**6,984**	**18,966**
■ Government securities	888	0	0	888	662	0	0	662
■ Bonds and other debt securities	10,846	623	653	12,122	9,028	609	673	10,310
Listed	*10,846*	*0*	*296*	*11,142*	*9,028*	*0*	*288*	*9,316*
Non-listed	*0*	*623*	*357*	*980*	*0*	*609*	*385*	*994*
of which UCIs	*0*		*316*	*316*	*0*		*326*	*326*
■ Shares and other capital instruments	2,981	-	4,985	7,966	1,683	-	5,032	6,715
Listed	*2,981*		*1,247*	*4,228*	*1,683*		*1,394*	*3,077*
Non-listed	*0*		*3,738*	*3,738*	*0*		*3,638*	*3,638*
■ Long-term investments	-	-	1,244	1,244	-	-	1,279	1,279
Equity investments			*280*	*280*			*278*	*278*
Other long-term investments			*66*	*66*			*89*	*89*
Investments in subsidiaries and associates			*897*	*897*			*911*	*911*
Other long-term investments			*1*	*1*			*1*	*1*
Derivative instruments	**7,098**	**-**		**7,098**	**6,138**	**-**	**-**	**6,138**
Loans and receivables	**18,274**	**0**	**15**	**18,289**	**11,797**	**0**	**14**	**11,811**
of which pensions	*18,274*	*0*		*18,274*	*11,797*	*0*	*-*	*11,797*
Other assets classified as FVPL	**0**	**-**	**93**	**93**	**0**	**-**	**60**	**60**
TOTAL	**40,087**	**623**	**6,990**	**47,700**	**29,308**	**609**	**7,058**	**36,975**

5b Financial liabilities at fair value through profit or loss

	06/30/2026	12/31/2025
Financial liabilities held for trading	27,627	18,604
Financial liabilities at fair value through profit or loss on option	5,921	3,082
TOTAL	**33,548**	**21,686**

FINANCIAL LIABILITIES HELD FOR TRADING

	06/30/2026	12/31/2025
Short sales of securities	**1,666**	**931**
Bonds and other debt securities	625	52
Shares and other capital instruments	1,041	879
Debts in respect of securities sold under repurchase agreements	**19,276**	**11,282**
Trading derivatives	**6,662**	**5,783**
Other financial liabilities held for trading	**23**	**608**
TOTAL	**27,627**	**18,604**

FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS ON OPTION

	06/30/2026			12/31/2025		
	Carrying amount	Amount due	Difference	Carrying amount	Amount due	Difference
Issued Securities	5,457	5,458	-1	2,733	2,733	0
Interbank debt	35	35	0	47	47	0
Due to customers	429	429	0	302	302	0
TOTAL	**5,921**	**5,922**	**-1**	**3,082**	**3,082**	**0**

5c Analysis of trading derivatives

	06/30/2026			12/31/2025		
	Notional amount	Assets	Liabilities	Notional amount	Assets	Liabilities
Rate instruments	*220,693*	*5,262*	*5,100*	*183,105*	*4,440*	*4,280*
Swaps	189,150	4,495	4,974	149,312	3,881	4,051
Other firm contracts	0	0	0	0	0	0
Options and conditional instruments	31,543	767	126	33,793	559	229
Foreign exchange instruments	*168,051*	*1,489*	*1,300*	*165,469*	*1,412*	*1,268*
Swaps	95,835	46	31	94,332	25	17
Other firm contracts	15,037	1,164	991	13,909	1,096	960
Options and conditional instruments	57,179	279	278	57,228	291	291
Other derivatives	*24,502*	*347*	*262*	*19,909*	*286*	*235*
Swaps	5,962	82	93	5,355	101	109
Other firm contracts	13,215	150	118	9,414	96	89
Options and conditional instruments	5,325	115	51	5,140	89	37
TOTAL	**413,246**	**7,098**	**6,662**	**368,483**	**6,138**	**5,783**

Derivatives are discounted in line with the rate of return on the collateral to which they relate:

- *If the derivative is cleared in CCP (LCH or Eurex): the RFR yield curve of the corresponding currency defined by the CCP. The valuation of EUR derivatives cleared through Eurex takes into account the LCH/Eurex basis;*
- *If the derivative remained bilateral (bank counterparty): almost exclusively Ester discount curve (as the CSA or ARG almost exclusively provide for the exchange of collateral in EUR);*
- *If the derivative is not collateralized (in the case of customers): Euribor discount curve.*

The difference resulting from the use of different valuation curves for the hedged items and the hedging instruments is accounted for as hedge ineffectiveness. In addition, the value of derivatives takes counterparty risk into account.

Note 6 Hedging

6a Hedging derivatives

	06/30/2026			12/31/2025		
	Notional amount	Assets	Liabilities	Notional amount	Assets	Liabilities
Fair Value Hedges	*436,163*	*892*	*2,551*	*393,816*	*1,079*	*2,733*
Swaps	436,163	892	2,551	393,815	1,079	2,733
Other firm contracts	0	0	0	0	0	0
Options and conditional instruments	0	0	0	1	0	0
Cash Flow Hedging	286	283	239	0	0	0
Swaps	286	283	239	0	0	0
Other firm contracts	0	0	0	0	0	0
Options and conditional instruments	0	0	0	0	0	0
TOTAL	**436,449**	**1,175**	**2,790**	**393,816**	**1,079**	**2,733**

Derivatives are discounted in line with the rate of return on the collateral to which they relate:

- *If the derivative is cleared in CCP (LCH or Eurex): the RFR yield curve of the corresponding currency defined by the CCP. The valuation of EUR derivatives cleared through Eurex takes into account the LCH/Eurex basis;*
- *If the derivative remained bilateral (bank counterparty): almost exclusively Ester discount curve (as the CSA or ARG almost exclusively provide for the exchange of collateral in EUR);*
- *If the derivative is not collateralized (in the case of customers): Euribor discount curve.*
  The difference resulting from the use of different valuation curves for the hedged items and the hedging instruments is accounted for as hedge ineffectiveness. In addition, the value of derivatives takes counterparty risk into account.

6b Revaluation adjustment on rate-hedged books

	06/30/2026	12/31/2025
Fair value of portfolio interest rate risk		
■ in financial assets	-479	-400
■ in financial liabilities	-24	-17

Note 7 Financial assets at fair value through shareholders' equity

	06/30/2026	12/31/2025
Government securities	19,503	15,447
Bonds and other debt securities	37,249	30,336
■ Listed	34,333	29,282
■ Non-listed	2,916	1,054
Related receivables	377	326
Debt securities subtotal, gross	**57,129**	**46,109**
Of which impaired debt securities (S3)	20	20
Impairment of performing loans (S1/S2)	-21	-20
Other impairment (S3)	-11	-11
Debt securities subtotal, net	**57,097**	**46,078**
Shares and other capital instruments	119	124
■ Listed	0	0
■ Non-listed	119	124
Long-term investments	398	334
■ Equity investments	95	92
■ Other long-term investments	265	203
■ Investments in subsidiaries and associates	38	39
Subtotal, equity instruments	**517**	**458**
TOTAL	**57,614**	**46,536**
of which unrealized capital gains or losses recognized under equity	-99	-149
of which listed equity investments	0	0

Note 8 Fair value hierarchy of financial instruments carried at fair value on the balance sheet

06/30/2026	Level 1	Level 2	Level 3	Total
FINANCIAL ASSETS IFRS 9				
Fair value through equity	**43,240**	**13,896**	**477**	**57,614**
Government and equivalent securities	19,486	127	20	19,633
Bonds and other debt securities	23,694	13,769	0	37,464
Shares and other capital instruments	0	0	119	119
Investments and other long-term securities	59	0	301	360
Investments in subsidiaries and associates	0	0	38	38
EC Loans and Receivables - FVTPL	0	0	0	0
Customer loans and receivables - FVTPL	0	0	0	0
Trading/Fair value option/Other	**7,344**	**34,169**	**6,186**	**47,700**
Government securities and similar instruments – Trading	818	43	27	888
Government securities and similar instruments – Fair value option	0	0	0	0
Government securities and similar instruments – Other FVPL	0	0	0	0
Bonds and other debt securities – Trading	3,597	7,002	248	10,847
Bonds and other debt securities – Fair value option	0	0	623	623
Bonds and other debt securities – Other FVPL	290	326	38	653
Shares and other equity instruments – Trading	1,318	1,651	11	2,981
Shares and other equity instruments – Other FVPL[1]	1,247	2	3,736	4,984
Investments and other long-term securities – Other FVPL	1	1	344	345
Investments in subsidiaries and associates – Other FVPL	0	0	898	898
Loans and receivables due from customers – Trading	0	18,274	0	18,274
Loans and receivables due from customers – Other FVPL	0	15	0	15
Derivatives and other financial assets – Trading	73	6,796	229	7,098
Other assets classified at FVPL	0	60	33	93
Hedging derivatives	**0**	**1,175**	**0**	**1,175**
TOTAL	**50,585**	**49,240**	**6,663**	**106,488**
FINANCIAL ASSETS IFRS 9 – INVESTMENTS OF INSURANCE ACTIVITIES				
Fair value through equity	**81,001**	**4,589**	**2,740**	**88,329**
Government and equivalent securities	37,525	173	0	37,698
Bonds and other debt securities	40,874	680	0	41,554
Shares and other capital instruments	1,491	19	0	1,509
Investments and other long-term securities	1,112	0	1,994	3,106
Investments in subsidiaries and associates	0	0	746	746
Loans and Receivables - FVTPL	0	3,716	0	3,716
Trading/Fair value option/Other	**48,425**	**12,970**	**0**	**61,395**
Government securities and similar instruments – Trading	0	0	0	0
Government securities and similar instruments – Fair value option	0	0	0	0
Government securities and similar instruments – Other FVPL	178	8	0	185
Bonds and other debt securities – Trading	0	0	0	0
Bonds and other debt securities – Fair value option	0	0	0	0
Bonds and other debt securities – Other FVPL	31,033	4,937	0	35,971
Shares and other equity instruments – Trading	0	0	0	0
Shares and other equity instruments – Other FVPL	17,214	7,520	0	24,734
Loans and receivables - Other FVPL	0	165	0	165
Loans and receivables due from credit institutions - Other FVPL	0	0	0	0
Derivatives and other financial assets – Trading	0	0	0	0
Other assets classified at FVPL	0	340	0	340
Hedging derivatives	**0**	**0**	**0**	**0**
Non-operating properties OFVPL	**0**	**2,667**	**0**	**2,667**
TOTAL	**129,426**	**20,225**	**2,740**	**152,391**

06/30/2026	Level 1	Level 2	Level 3	Total
FINANCIAL LIABILITIES IFRS 9				
Trading/Fair value option	**1,694**	**31,559**	**295**	**33,548**
Due to credit institutions – Fair value option	0	35	0	35
Due to customers – Fair value option	0	429	0	429
Debt securities – Fair value option	0	5,457	0	5,457
Debt – Trading	0	19,276	0	19,276
Derivatives and other financial liabilities - Trading	1,694	6,362	295	8,351
Hedging derivatives	**1**	**2,789**	**0**	**2,790**
TOTAL	**1,695**	**34,348**	**295**	**36,338**

[1] *Includes the equity investments held by the group's private equity companies.*

- Level 1: price quoted in an active market;
- Level 2: prices quoted in active markets for similar instruments, and valuation method in which all significant inputs are based on observable market information;
- Level 3: valuation based on internal models containing significant unobservable inputs.

Instruments in the trading portfolio classified under levels 2 or 3 mainly consist of derivatives and securities considered as illiquid.

All of these instruments include uncertainties of valuation, which give rise to adjustments in value reflecting the risk premium that a market player would incorporate in establishing the price.

Said valuation adjustments facilitate the inclusion, in particular, of risks not taken into account by the model, as well as liquidity risks associated with the instrument or parameter in question, specific risk premiums designed to offset certain additional costs that would result from the dynamic management strategy associated with the model under certain market conditions, and the counterparty risk present in the fair value of over-the-counter derivatives. The methods used are subject to change. These methods include the proprietary counterparty risk inherent in the fair value of over-the-counter derivatives.

When establishing valuation adjustments, each risk factor is considered individually and no effect of diversification between risks, parameters or models of a different nature are taken into account. A portfolio-based approach is most often used for a given risk factor.

12/31/2025	Level 1	Level 2	Level 3	Total
FINANCIAL ASSETS IFRS 9				
Fair value through equity	**35,092**	**10,988**	**457**	**46,536**
Government and equivalent securities	15,457	82	0	15,539
Bonds and other debt securities	19,635	10,904	0	30,539
Shares and other capital instruments	0	1	123	124
Investments and other long-term securities	0	0	294	294
Investments in subsidiaries and associates	0	0	39	39
Trading/Fair value option/Other	**5,010**	**26,159**	**5,806**	**36,975**
Government securities and similar instruments – Trading	50	612	0	662
Government securities and similar instruments – Fair value option	0	0	0	0
Government securities and similar instruments – Other FVPL	0	0	0	0
Bonds and other debt securities – Trading	1,710	7,242	76	9,028
Bonds and other debt securities – Fair value option	0	0	609	609
Bonds and other debt securities – Other FVPL	283	342	48	673
Shares and other equity instruments – Trading	1,515	167	0	1,683
Shares and other equity instruments – Other FVPL[1]	1,394	0	3,638	5,032
Investments and other long-term securities – Other FVPL	1	1	365	367
Investments in subsidiaries and associates – Other FVPL	0	0	911	911
Loans and receivables due from customers – Trading	0	11,797	0	11,797
Loans and receivables due from customers – Other FVPL	0	14	0	14
Derivatives and other financial assets – Trading	57	5,924	158	6,138
Other assets classified at FVPL	0	60	0	60
Hedging derivatives	**0**	**1,079**	**0**	**1,079**
TOTAL	**40,102**	**38,226**	**6,263**	**84,591**
FINANCIAL ASSETS IFRS 9 – INVESTMENTS OF INSURANCE ACTIVITIES				
Fair value through equity	**78,172**	**4,412**	**2,765**	**85,349**
Government and equivalent securities	36,671	177	0	36,848
Bonds and other debt securities	39,008	767	0	39,775
Shares and other capital instruments	1,398	18	0	1,416
Investments and other long-term securities	1,095	0	2,013	3,108
Investments in subsidiaries and associates	0	0	751	751
Loans and Receivables - FVTPL	0	3,450	0	3,450
Trading/Fair value option/Other	**44,233**	**12,925**	**0**	**57,158**
Government securities and similar instruments – Trading	0	0	0	0
Government securities and similar instruments – Fair value option	0	0	0	0
Government securities and similar instruments – Other FVPL	175	7	0	183
Bonds and other debt securities – Trading	0	0	0	0
Bonds and other debt securities – Fair value option	0	0	0	0
Bonds and other debt securities – Other FVPL	27,894	5,172	0	33,066
Shares and other equity instruments – Trading	0	0	0	0
Shares and other equity instruments – Other FVPL	16,163	7,239	0	23,402
Loans and receivables - Other FVPL	0	164	0	164
Loans and receivables due from credit institutions - Other FVPL	0	0	0	0
Derivatives and other financial assets – Trading	0	0	0	0
Other assets classified at FVPL	0	343	0	343
Hedging derivatives	**0**	**0**	**0**	**0**
Non-operating properties OFVPL	**0**	**2,694**	**0**	**2,694**
TOTAL	**122,404**	**20,032**	**2,765**	**145,201**

12/31/2025	Level 1	Level 2	Level 3	Total
FINANCIAL LIABILITIES IFRS 9				
Trading/Fair value option	**1,027**	**20,318**	**342**	**21,686**
Due to credit institutions – Fair value option	0	47	0	47
Due to customers – Fair value option	0	302	0	302
Debt securities – Fair value option	0	2,734	0	2,734
Subordinated debt – Fair value option	0	0	0	0
Debt – Trading	0	11,282	0	11,282
Derivatives and other financial liabilities - Trading	1,027	5,954	342	7,322
Hedging derivatives	**0**	**2,733**	**0**	**2,733**
TOTAL	**1,027**	**23,051**	**342**	**24,419**

[1] Includes the equity investments held by the group's private equity companies.

Note 9 Details of securitization outstandings

In accordance with the request from the banking supervisor and the market regulator, the sensitive exposures are presented below based on the FSB's recommendations. Trading and fair value securities portfolios through equity were valued at market price from external data coming from organized markets, primary brokers, or when no other price is available, from comparable securities listed on the market.

Summary	Carrying amount 06/30/2026	Carrying amount 12/31/2025
RMBS	1,648	1,069
CMBS	0	0
CLO	6,187	4,342
Other ABS	6,625	6,247
DLF*	1,606	0
TOTAL	**16,066**	**11,658**

** DLF: Direct lending fund.*
Unless otherwise indicated, securities are not hedged by CDS.

06/30/2026	RMBS	CMBS	CLO	Other ABS	DLF	Total
Fair value through profit or loss	41	0	0	4	0	45
Amortized cost	5	0	184	3,434	1,606	5,229
Fair value – Others	0	0	41	131	0	173
Fair value through equity	1,602	0	5,962	3,056	0	10,619
TOTAL	**1,648**	**0**	**6,187**	**6,625**	**1,606**	**16,066**
France	685	0	1,722	1,606	62	4,075
Spain	42	0	0	399	0	441
United Kingdom	350	0	1,196	317	54	1,916
Europe excluding France, Spain and the UK	555	0	155	2,395	1,282	4,387
USA	1	0	3,114	1,309	208	4,632
Other	16	0	0	600	0	616
TOTAL	**1,648**	**0**	**6,187**	**6,625**	**1,606**	**16,066**
US Branches	0	0	0	0	0	0
AAA	1,619	0	5,782	2,692	0	10,093
AA	27	0	319	1,042	0	1,388
A	1	0	45	1	0	46
BBB	0	0	0	0	0	0
BB	0	0	0	0	0	0
B or below	1	0	0	7	0	8
Not rated	0	0	41	2,884	1,606	4,532
TOTAL	**1,648**	**0**	**6,187**	**6,625**	**1,606**	**16,066**
Origination 2020 and earlier	14	0	67	118	128	328
Origination 2021	174	0	548	355	61	1,138
Origination 2022	214	0	77	291	0	582
Origination 2023	253	0	26	1,461	1,284	3,023
Origination 2024	292	0	1,816	1,725	25	3,858
Origination 2025	361	0	2,998	1,572	93	5,025
Origination 2026	0	655	1,103	15	15	2,113
TOTAL	**1,648**	**0**	**6,187**	**6,625**	**1,606**	**16,066**

12/31/2025	RMBS	CMBS	CLO	Other ABS	Total
Fair value through profit or loss	47	0	0	5	52
Amortized cost	7	0	243	3,906	4,156
Fair value – Others	1	0	10	147	157
Fair value through equity	1,014	0	4,090	2,189	7,293
TOTAL	**1,069**	**0**	**4,342**	**6,247**	**11,658**
France	481	0	950	2,068	3,498
Spain	41	0	0	378	419
United Kingdom	162	0	408	287	857
Europe excluding France, Spain and the UK	363	0	120	1,965	2,449
USA	1	0	2,864	1,113	3,979
Other	20	0	0	436	456
TOTAL	**1,069**	**0**	**4,342**	**6,247**	**11,658**
US Branches	0	0	0	0	0
AAA	1,062	0	3,975	2,004	7,041
AA	4	0	309	872	1,185
A	1	0	49	2	51
BBB	0	0	0	0	0
BB	0	0	0	0	0
B or below	1	0	0	6	7
Not rated	0	0	10	3,364	3,374
TOTAL	**1,069**	**0**	**4,342**	**6,247**	**11,658**
Origination 2020 and earlier	21	0	146	84	251
Origination 2021	196	0	646	385	1,227
Origination 2022	150	0	53	295	498
Origination 2023	192	0	111	1,685	1,988
Origination 2024	274	0	1,320	2,017	3,612
Origination 2025	272	0	2,087	1,516	3,875
TOTAL	**1,069**	**0**	**4,342**	**6,247**	**11,658**

Note 10 Financial assets at amortized cost

	06/30/2026	12/31/2025
Securities at amortized cost	6,360	6,153
Loans and receivables due from credit institutions	64,439	62,360
Loans and receivables due from customers	382,203	352,115
TOTAL	**453,002**	**420,628**

10a Securities at amortized cost

	06/30/2026	12/31/2025
Securities	6,346	6,138
■ Government securities	2,949	2,862
■ Bonds and other debt securities	3,397	3,276
Listed	2,957	2,687
Non-listed	440	589
Related receivables	18	19
TOTAL GROSS	**6,363**	**6,156**
of which impaired assets (S3)	*0*	*1*
Impairment of performing loans (S1/S2)	-3	-3
Other impairment (S3)	0	0
TOTAL NET	**6,360**	**6,153**

At June 30, 2026, the net carrying amount of HQLA debt securities recognized as assets at amortized cost amounted to €4,096 million, compared to €3,527 million at December 31, 2025. The estimated fair value of these assets amounts to €4,026 million, compared to €3,575 million at December 31, 2025.

10b Loans and receivables due from credit institutions at amortized cost

	06/30/2026	12/31/2025
Performing loans (S1/S2)	64,124	61,840
■ Crédit Mutuel network accounts[1]	16,444	15,973
■ Other ordinary accounts	3,913	2,585
■ Loans	33,044	32,130
■ Other receivables	8,496	9,348
■ Pensions	2,227	1,804
Related receivables	317	521
Impairment of performing loans (S1/S2)	-2	-1
TOTAL	**64,439**	**62,360**

[1] *Mainly concerns outstanding CDC repayments (LEP, LDD, Livret bleu, Livret A passbook accounts).*

10c Loans and receivables due from customers at amortized cost

	06/30/2026	12/31/2025
Performing loans (S1/S2)*	**355,136**	**325,829**
Commercial loans	20,323	19,235
Other customer receivables	333,851	305,724
■ home loans	135,281	121,747
■ other loans and receivables[1]	198,570	183,977
Related receivables	962	870
Gross receivables subject to individual impairment (S3)	**15,374**	**14,212**
Gross receivables	**370,510**	**340,041**
Impairment of performing loans (S1/S2)[2]	-2,504	-2,415
Other impairment (S3)	-7,203	-6,746
SUBTOTAL I	**360,803**	**330,880**
Finance leases (net investment)	20,893	20,820
■ Equipment	15,561	15,434
■ Real estate	5,332	5,386
Gross receivables subject to individual impairment (S3)	1,207	1,057
Impairment of performing loans (S1/S2)	-211	-203
Other impairment (S3)	-489	-439
SUBTOTAL II	**21,400**	**21,235**
TOTAL [3]	**382,203**	**352,115**
of which subordinated loans	2	12
of which pensions	546	2,150

The amounts of loans and receivables take into account assets impaired at the end of the period and on origination.

[1] *This includes guarantee deposits paid in respect of payment commitments to the Single Resolution Fund (€259 million) and the Deposit Guarantee Fund (€166 million) as of June 30, 2026.*

[2] *The item includes a post-model adjustment - see note 1 "Accounting principles".*

[3] *Of which €25 billion at June 30, 2026 related to the entry of OLB into the scope of consolidation – see note 1 "Accounting principles".*

FINANCE LEASE TRANSACTIONS WITH CUSTOMERS

	12/31/2025	Increase	Decrease	Other	06/30/2026
Gross carrying amount	21,877	1,955	-1,675	-57	22,100
Impairment of non-recoverable lease payments	-642	-182	124	0	-700
NET CARRYING AMOUNT	**21,235**	**1,773**	**-1,551**	**-57**	**21,400**

Note 11 Financial liabilities at amortized cost

11a Debt securities at amortized cost

	06/30/2026	12/31/2025
Certificates of deposit	68	65
Interbank certificates and negotiable debt instruments	67,698	61,374
Bonds	89,696	85,144
Non-preferred senior securities	16,284	13,995
Related debt	1,643	1,820
TOTAL	**175,389**	**162,398**

11b Due to credit institutions

	06/30/2026	12/31/2025
Other ordinary accounts	19,781	16,421
Borrowings	16,291	14,227
Other debt	4,436	1,642
Pensions	15,280	11,054
Related debt	164	133
TOTAL	**55,952**	**43,477**

11c Due to customers at amortized cost

	06/30/2026	12/31/2025
Special savings accounts	59,754	59,743
■ demand	48,226	48,467
■ term	11,528	11,276
Related debts on savings accounts	428	29
Subtotal	**60,182**	**59,772**
Demand accounts	145,291	138,899
Term deposits and borrowings	106,423	95,734
Pensions	460	27
Related debt	1,557	1,229
Other debt	28	27
Subtotal	**253,759**	**235,916**
TOTAL	**313,941**	**295,688**

Note 12 Gross values and movements in impairment provisions

12a Gross values subject to impairment

	12/31/2025	Acquisition/ production	Sales/ repayment	Transfer	Other[1]	06/30/2026
Financial assets at amortized cost – loans and receivables due from credit institutions, subject to	**62,361**	**19,720**	**-18,091**	**0**	**451**	**64,441**
■ 12-month expected losses (S1)	62,359	19,720	-18,092	0	451	64,438
■ expected losses at termination (S2)	2	0	1	0	0	3
Financial assets at amortized cost – loans and receivables due from customers, subject to	**361,918**	**85,258**	**-80,612**	**0**	**26,047**	**392,610**
■ 12-month expected losses (S1)	314,407	79,685	-71,319	-5,644	24,950	342,078
■ expected losses at termination (S2)	32,243	5,054	-6,797	3,284	168	33,951
■ expected losses on assets credit-impaired (S3) at the end of the period but not credit-impaired on initial recognition	15,047	499	-2,268	2,393	199	15,870
■ expected losses on assets credit-impaired at the end of the period and on initial recognition[2]	221	20	-228	-33	730	711
Financial assets at amortized cost – securities	**6,156**	**832**	**-648**	**0**	**23**	**6,363**
■ 12-month expected losses (S1)	6,147	832	-648	2	23	6,356
■ expected losses at termination (S2)	8	0	0	-1	0	7
■ expected losses on assets credit-impaired (S3) at the end of the period but not credit-impaired on initial recognition	1	0	0	-1	0	0
Financial assets at fair value through other comprehensive income – debt securities	**46,109**	**14,597**	**-10,475**	**0**	**6,898**	**57,129**
■ 12-month expected losses (S1)	46,081	14,597	-10,472	-3	6,898	57,101
■ expected losses at termination (S2)	8	0	-3	3	0	8
■ expected losses on assets credit-impaired (S3) at the end of the period but not credit-impaired on initial recognition	20	0	0	0	0	20
TOTAL	**476,544**	**120,407**	**-109,826**	**0**	**33,419**	**520,543**

[1] *Change in flows not giving rise to derecognition and miscellaneous flows.*
[2] *Of which €537 million at June 30, 2026 related to the acquisition of OLB.*

12b Movements in impairment provisions

	12/31/2025	Additions	Reversals	Other	06/30/2026
Financial assets at amortized cost – loans and receivables due from credit institutions	**-1**	**-1**	**1**	**-1**	**-2**
■ 12-month expected losses (S1)	-1	-1	1	-1	-2
■ expected losses at termination (S2)	0	0	0	0	0
Financial assets at amortized cost – loans and receivables due from customers	**-9,803**	**-3,268**	**2,705**	**-41**	**-10,407**
■ 12-month expected losses (S1)	-1,151	-493	415	-3	-1,232
■ expected losses at termination (S2)	-1,467	-1,063	1,047	0	-1,483
■ expected losses on assets credit-impaired (S3) at the end of the period but not credit-impaired on initial recognition	-7,184	-1,712	1,243	-38	-7,691
■ expected losses on assets credit-impaired (S3) at the end of the period and on initial recognition	0	0	0	0	0
Financial assets at amortized cost – securities	**-3**	**0**	**0**	**0**	**-3**
■ 12-month expected losses (S1)	-2	0	0	0	-2
■ expected losses at termination (S2)	-1	0	0	0	-1
■ expected losses on assets credit-impaired (S3) at the end of the period but not credit-impaired on initial recognition	0	0	0	0	0
■ expected losses on assets credit-impaired (S3) at the end of the period and on initial recognition	0	0	0	0	0
Financial assets at FVOCI – debt securities	**-31**	**-10**	**10**	**-1**	**-32**
■ 12-month expected losses (S1)	-20	-9	9	-1	-21
■ expected losses at termination (S2)	0	-1	1	0	0
■ expected losses on assets credit-impaired (S3) at the end of the period but not credit-impaired on initial recognition	-11	0	0	0	-11
■ expected losses on assets credit-impaired (S3) at the end of the period and on initial recognition	0	0	0	0	0
TOTAL	**-9,838**	**-3,279**	**2,716**	**-43**	**-10,444**

The group conducted a sensitivity test of the cost of risk (including post-model adjustment). It is presented in note 1.

12c Breakdown of impairment

	Outstandings			Impairment					
06/30/2026	**S1**	**S2**	**S3**	**S1**	**Of which adjustments[1]**	**S2**	**Of which adjustments[1]**	**S3**	**Net outstandings**
Loans and receivables due from credit institutions	64,438	3	0	-2	0	0	0	0	64,439
Loans and receivables due from customers[2]	342,079	33,951	16,580	-1,233	-126	-1,483	-109	-7,691	382,203
Financial assets at amortized cost – securities	6,356	7	0	-2	0	-1	0	0	6,360
Financial assets at FVOCI – debt securities	57,101	8	20	-21	0	0	0	-11	57,097
Financial assets at FVOCI – Loans	0	0	0	0	0	0	0	0	0
TOTAL	**469,974**	**33,969**	**16,600**	**-1,258**	**-126**	**-1,484**	**-109**	**-7,702**	**510,099**

	Outstandings			Impairment					
12/31/2025	**S1**	**S2**	**S3**	**S1**	**Of which adjustments[1]**	**S2**	**Of which adjustments[1]**	**S3**	**Net outstandings**
Loans and receivables due from credit institutions	62,359	2	0	-1	0	0	0	0	62,360
Loans and receivables due from customers[2]	314,407	32,243	15,268	-1,151	-119	-1,467	-155	-7,184	352,115
Financial assets at amortized cost – securities	6,147	8	1	-2	0	-1	0	0	6,153
Financial assets at FVOCI – debt securities	46,081	8	20	-20	0	0	0	-11	46,078
Financial assets at FVOCI – Loans	0	0	0	0	0	0	0	0	0
TOTAL	**428,994**	**32,261**	**15,289**	**-1,174**	**-119**	**-1,468**	**-155**	**-7,195**	**466,706**

(1) *Post-model adjustment.*
(2) *Of which assets impaired at the end of the period and on origination.*

Note 13 Insurance activities

INVESTMENTS OF INSURANCE ACTIVITIES

Financial assets	06/30/2026	12/31/2025
INSURANCE FINANCIAL INVESTMENTS		
Financial assets at fair value through profit or loss	61,395	57,158
Financial assets at fair value through equity	88,329	85,349
Loans and receivables at amortized cost	119	47
Debt instruments at amortized cost	0	0
Investment property[1]	2,667	2,694
Subtotal of insurance investments[2]	**152,510**	**145,248**
Assets of insurance contracts	1	5
Assets of reinsurance contracts	259	245
TOTAL	**152,770**	**145,498**

[1] *Investment property is recognized at fair value through profit or loss.*
[2] *Outstandings in stage 3 amounted to €18 million, fully impaired.*

As of January 1, 2026, GACM holds bonds whose characteristics vary depending on whether or not the issuer meets ESG objectives. GACM has ensured that the criteria defined in the amendments to IFRS 9 and 7 are met. These securities, which were measured at fair value through profit or loss as of December 31, 2025, were therefore reclassified as of June 30, 2026, and are now recognized at fair value through equity.
The reclassifications carried out on January 1, 2026 concerned a total of €564.4 million from Financial assets at fair value through profit or loss to Financial assets at fair value through equity.

13a Financial assets at fair value through profit or loss

	06/30/2026				12/31/2025			
	Transaction	Fair value option	Other FVPL	Total	Transaction	Fair value option	Other FVPL	Total
Securities	**0**	**0**	**60,890**	**60,890**	**0**	**0**	**56,651**	**56,651**
■ Government securities	0	0	185	185	0	0	183	183
■ Bonds and other debt securities	0	0	35,971	35,971	0	0	33,066	33,066
Listed	*0*	*0*	*31,034*	*31,034*	*0*	*0*	*27,892*	*27,892*
Non-listed	*0*	*0*	*4,937*	*4,937*	*0*	*0*	*5,174*	*5,174*
of which UCIs	*0*	*0*	*34,554*	*34,554*	*0*	*0*	*31,083*	*31,083*
■ Shares and other capital instruments	0	0	24,734	24,734	0	0	23,402	23,402
Listed	*0*	*0*	*17,214*	*17,214*	*0*	*0*	*16,163*	*16,163*
Unlisted	*0*	*0*	*7,520*	*7,520*	*0*	*0*	*7,239*	*7,239*
■ Equity investments, shares in subsidiaries and associates and other long-term investments	0	0	0	0	0	0	0	0
Equity investments	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Derivative instruments	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Operating properties at fair value through profit or loss	**0**	**0**	**340**	**340**	**0**	**0**	**343**	**343**
Loans and receivables	**0**	**0**	**165**	**165**	**0**	**0**	**164**	**164**
TOTAL	**0**	**0**	**61,395**	**61,395**	**0**	**0**	**57,158**	**57,158**

13b Insurance financial assets at fair value through equity

	06/30/2026	12/31/2025
Government securities	37,701	36,850
Bonds and other debt securities	41,595	39,816
■ Listed	40,895	39,030
■ Non-listed	700	786
Related receivables	0	0
Debt securities subtotal, gross	**79,296**	**76,666**
Of which impaired debt securities (S3)	18	18
Impairment of performing loans (S1/S2)	-25	-24
Other impairment (S3)	-18	-18
Debt securities subtotal, net	**79,253**	**76,624**
Loans	3,727	3,462
Related receivables	0	0
Gross subtotal loans and receivables	**3,727**	**3,462**
Impairment of performing loans (S1/S2)	-1	-1
Other impairment (S3)	-12	-11
Net subtotal loans and receivables	**3,714**	**3,450**
Shares and other capital instruments	1,510	1,416
■ Listed	1,491	1,398
■ Non-listed	19	18
Long-term investments	3,852	3,859
■ Equity investments	3,106	3,108
■ Other long-term investments	0	0
■ Investments in subsidiaries and associates	746	751
Subtotal, equity instruments	**5,362**	**5,275**
TOTAL	**88,329**	**85,349**
Of which unrealized capital gains or losses recognized under shareholders' equity	333	308
Of which listed equity investments.	1,112	1,095

13c Distinction between insurance liabilities for remaining cover and incurred claims

	06/30/2026					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			
	Excluding loss item	Loss item	Contracts excluding PAA	Estimates of the present value of future cash flows of PAA contracts (BE)	Adjustment for non-financial risk of PAA contracts (RA)	Total
Insurance contract assets at the start of the period	-6	0	1	0	0	-5
Insurance contract liabilities at the start of the period	129,454	343	1,233	3,945	125	135,100
Opening balance	**129,448**	**343**	**1,233**	**3,945**	**125**	**135,095**
A - Income from insurance activities	**-4,116**	**0**	**0**	**0**	**0**	**-4,116**
Claims and other insurance expenses incurred during the fiscal year	0	-123	967	2,490	32	3,367
Amortization of acquisition cash flows	8	0	0	0	0	8
Loss on onerous contracts	0	117	0	0	0	117
Changes related to incurred claims in previous years (adjustment of the LIC)	0	0	-15	-43	-28	-86
B - Expenses related to insurance activities	**8**	**-6**	**952**	**2,447**	**5**	**3,406**
C - Investment component	**-3,543**	**0**	**3,543**	**0**	**0**	**0**
INSURANCE SERVICE RESULT (A + B + C)	**-7,651**	**-6**	**4,495**	**2,447**	**5**	**-710**
Financial income or expense on insurance contracts issued OCI	265	0	-5	11	0	272
Financial income or expense on insurance contracts issued outside OCI	4,780	3	10	40	1	4,834
Exchange rate effects	0	0	0	0	0	0
D- Total changes in income and in other comprehensive income	**-2,606**	**-2**	**4,500**	**2,497**	**6**	**4,395**
Premiums received	9,991	0	0	0	0	9,991
Claims and expenses paid, including investment component	0	0	-4,460	-2,382	0	-6,842
Cash flow from contract acquisition	-13	0	0	0	0	-13
E - Total cash flow	**9,978**	**0**	**-4,460**	**-2,382**	**0**	**3,136**
F - Transfer to other balance sheet items	**11**	**0**	**0**	**0**	**0**	**11**
Insurance contracts - assets	-2	0	1	0	0	-1
Insurance contracts - liabilities	136,832	341	1,274	4,060	132	142,639
CLOSING BALANCE (D + E + F)	**136,830**	**341**	**1,274**	**4,060**	**132**	**142,638**

	12/31/2025					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			
	Excluding loss item	Loss item	Contracts excluding PAA	Estimates of the present value of future cash flows of PAA contracts (BE)	Adjustment for non-financial risk of PAA contracts (RA)	Total
Insurance contract assets at the start of the period	-11	0	1	0	0	-10
Insurance contract liabilities at the start of the period	120,568	180	1,165	3,867	117	125,898
Opening balance	**120,557**	**180**	**1,166**	**3,867**	**117**	**125,887**
A - Income from insurance activities	**-7,905**	**0**	**0**	**0**	**0**	**-7,905**
Claims and other insurance expenses incurred during the fiscal year	0	-126	1,841	4,699	43	6,457
Amortization of acquisition cash flows	16	0	0	0	0	16
Loss on onerous contracts	0	286	0	0	0	286
Changes related to incurred claims in previous years (adjustment of the LIC)	0	0	-70	-154	-32	-255
B - Expenses related to insurance activities	**16**	**160**	**1,771**	**4,545**	**12**	**6,504**
C - Investment component	**-6,470**	**0**	**6,470**	**0**	**0**	**0**
Insurance service result (A + B + C)	**-14,359**	**160**	**8,241**	**4,545**	**12**	**-1,401**
Financial income or expense on insurance contracts issued OCI	-763	0	-11	-24	-5	-803
Financial income or expense on insurance contracts issued outside OCI	6,668	4	16	68	2	6,757
Exchange rate effects	0	0	0	0	0	0
D- Total changes in income and in other comprehensive income	**-8,453**	**163**	**8,246**	**4,589**	**9**	**4,553**
Premiums received	17,473	0	0	0	0	17,473
Claims and expenses paid, including investment component	0	0	-8,178	-4,511	0	-12,689
Cash flow from contract acquisition	-21	0	0	0	0	-21
E - Total cash flow	**17,452**	**0**	**-8,178**	**-4,511**	**0**	**4,763**
F - Transfer to other balance sheet items	**-108**	**0**	**0**	**0**	**0**	**-108**
Insurance contracts - assets	-6	0	1	0	0	-5
Insurance contracts - liabilities	129,454	343	1,233	3,945	125	135,100
Closing balance (D + E + F)	**129,448**	**343**	**1,233**	**3,945**	**125**	**135,095**

RECONCILIATION OF PAYABLES AND RECEIVABLES RELATED TO INSURANCE CONTRACTS AND REINSURANCE TREATIES

	06/30/2026				12/31/2025			
	Closing balance	Related payables - CASH BASIS	Related receivables - CASH BASIS	Closing balance (including related payables and receivables)	Closing balance	Related payables - CASH BASIS	Related receivables – CASH BASIS	Closing balance (including related payables and receivables)
INSURANCE								
Assets of insurance contracts	-1	-	0	-1	-5	-	0	-5
Insurance contract liabilities	142,639	-335	-	142,564	135,100	-570	-	134,530
TOTAL PAYABLES AND RECEIVABLES RELATED TO INSURANCE CONTRACTS	**142,638**	**-335**	**0**	**142,563**	**135,095**	**-570**	**0**	**134,525**
REINSURANCE								
Reinsurance treaty assets	366	-	-107	259	378	-	-133	245
Reinsurance treaty liabilities	0	0	-	0	0	0	-	0
TOTAL PAYABLES AND RECEIVABLES RELATED TO REINSURANCE TREATIES	**366**	**0**	**-107**	**259**	**378**	**0**	**-133**	**245**

13d Distinction of insurance liabilities (BE, RA, CSM)

	06/30/2026			
	Estimate of the present value of future cash flows (BE)	Risk adjustment for non-financial risk (RA)	Contractual service margin (CSM)	Total
Insurance contract assets at the start of the period	-84	25	53	-5
Insurance contract liabilities at the start of the period	118,972	2,368	9,049	130,388
Opening balance	**118,888**	**2,393**	**9,102**	**130,383**
Change in contractual service margin recognized in income	0	0	-347	-347
Change in the adjustment for non-financial risk over the period	0	-94	0	-94
Experience adjustment	-3	13	0	10
Changes in services rendered during the period	**-3**	**-81**	**-347**	**-432**
Contracts recognized during the period	-257	91	195	29
Changes in estimates resulting in an adjustment of the contractual service margin	-816	74	742	0
Changes in estimates resulting in losses or reversals of losses on groups of onerous contracts	4	-4	0	0
Changes in future services	**-1,069**	**160**	**938**	**29**
Changes in fulfillment cash flows in respect of incurred claims	-2	-13	0	-15
Changes related to past services	**-2**	**-13**	**0**	**-15**
Insurance service result	**-1,075**	**67**	**590**	**-418**
Effect of rates neutralized in OCI	240	21	0	261
Financial expenses net of insurance contracts (excluding OCI)	4,772	12	9	4,793
Exchange rate effects	0	0	0	0
TOTAL CHANGES IN INCOME AND IN OTHER COMPREHENSIVE INCOME	**3,937**	**99**	**599**	**4,636**
Premiums received	7,286	0	0	7,286
Claims and expenses paid, including investment component	-4,467	0	0	-4,467
Cash flow from contract acquisition	-13	0	0	-13
TOTAL CASH FLOW	**2,806**	**0**	**0**	**2,806**
Transfer to other balance sheet items	**10**	**0**	**0**	**10**
Insurance contract assets at closing	-87	27	59	-1
Insurance contract liabilities at closing	125,729	2,466	9,642	137,837
CLOSING BALANCE	**125,642**	**2,493**	**9,701**	**137,836**

	12/31/2025			
	Estimate of the present value of future cash flows (BE)	**Risk adjustment for non-financial risk (RA)**	**Contractual service margin (CSM)**	**Total**
Insurance contract assets at the start of the period	-71	20	41	-10
Insurance contract liabilities at the start of the period	111,669	1,789	7,636	121,094
Opening balance	**111,598**	**1,808**	**7,677**	**121,084**
Change in contractual service margin recognized in income	0	0	-713	-713
Change in the adjustment for non-financial risk over the period	0	-147	0	-147
Experience adjustment	-23	23	0	0
Changes in services rendered during the period	**-23**	**-124**	**-713**	**-860**
Contracts recognized during the period	-424	160	316	52
Changes in estimates resulting in an adjustment of the contractual service margin	-2,316	515	1,801	0
Changes in estimates resulting in losses or reversals of losses on groups of onerous contracts	48	78	0	126
Changes in future services	**-2,692**	**753**	**2,117**	**178**
Changes in fulfillment cash flows in respect of incurred claims	-53	-16	0	-70
Changes related to past services	**-53**	**-16**	**0**	**-70**
Insurance service result	**-2,768**	**613**	**1,404**	**-751**
Effect of rates neutralized in OCI	-726	-48	0	-774
Financial expenses net of insurance contracts (excluding OCI)	6,647	20	21	6,688
Exchange rate effects	0	0	0	0
TOTAL CHANGES IN INCOME AND IN OTHER COMPREHENSIVE INCOME	**3,153**	**585**	**1,425**	**5,162**
Premiums received	12,445	0	0	12,445
Claims and expenses paid, including investment component	-8,179	0	0	-8,179
Cash flow from contract acquisition	-21	0	0	-21
TOTAL CASH FLOW	**4,245**	**0**	**0**	**4,245**
Transfer to other balance sheet items	**-108**	**0**	**0**	**-108**
Insurance contract assets at closing	-84	25	53	-5
Insurance contract liabilities at closing	118,972	2,368	9,048	130,388
CLOSING BALANCE	**118,888**	**2,393**	**9,102**	**130,383**

13e Underlying items of VFA contracts

UNDERLYING ITEMS OF INSURANCE CONTRACTS WITH DIRECT PARTICIPATION FEATURES

	06/30/2026	12/31/2025
FINANCIAL INVESTMENTS		
Fair value through equity	**76,031**	**71,744**
Government and equivalent securities	30,148	29,423
Bonds and other debt securities	34,699	32,947
Shares and other equity instruments	0	0
Investments and other long-term securities	1,891	1,892
Investments in subsidiaries and associates	201	203
Loans and receivables	9,092	7,279
Fair value through profit or loss	**60,983**	**57,268**
Government and equivalent securities	173	171
Bonds and other debt securities	33,958	31,489
Shares and other equity instruments	23,905	22,667
Investments and other long-term securities	0	0
Investments in subsidiaries and associates	0	0
Loans and receivables	159	152
Derivatives and other financial assets – trading	51	29
Operating properties OFVPL	309	312
Non-operating properties OFVPL	2,428	2,448
Hedging derivatives	**0**	**0**
Amortized cost	**468**	**377**
Loans and receivables due from credit institutions	468	377
Loans due from customers	0	0
Other assets	**254**	**84**
Current tax assets	0	1
Deferred tax assets	0	0
Other assets	198	59
Accruals - Assets	57	24
TOTAL FINANCIAL INVESTMENTS	**137,736**	**129,473**
FINANCIAL LIABILITIES		
Fair value through profit or loss	**7,412**	**6,872**
Derivatives and other financial liabilities – Trading	0	0
Due to credit institutions and similar entities	7,412	6,872
Deposits from customers - Other - Term	0	0
Other liabilities	**239**	**126**
Other liabilities	35	25
Deferred tax liabilities	87	89
Accruals - Liabilities	116	12
TOTAL FINANCIAL LIABILITIES	**7,651**	**6,998**

IFRS 17 YIELD CURVES

Future cash flows are discounted using the yield curve below. This reflects the time value of money as well as the cash flow and liquidity characteristics of GACM's insurance contracts.

	06/30/2026	12/31/2025
1-year rate	3.2%	2.7%
5-year rate	3.3%	3.1%
10-year rate	3.5%	3.5%
20-year rate	3.7%	3.9%
30-year rate	3.6%	3.8%

Note 14 Tax

14a Current tax

	06/30/2026	12/31/2025
Assets (through profit or loss)	800	1,214
Liabilities (through profit or loss)	460	375

14b Deferred tax

	06/30/2026	12/31/2025
Assets (through profit or loss)	781	655
Assets (through shareholders' equity)	100	132
Liabilities (through profit or loss)	742	668
Liabilities (through shareholders' equity)	-68	-58

Note 15 Accruals and miscellaneous assets and liabilities

15a Accruals and miscellaneous assets

	06/30/2026	12/31/2025
ACCRUALS		
Collection accounts	64	97
Currency adjustment accounts	178	59
Accrued income	639	578
Other accruals	1,951	3,852
Subtotal	**2,832**	**4,586**
OTHER ASSETS		
Securities settlement accounts	274	130
Miscellaneous receivables	5,374	4,232
Inventories and similar	48	83
Other miscellaneous uses	29	24
Subtotal	**5,725**	**4,469**
TOTAL	**8,557**	**9,055**

15b Accruals and miscellaneous liabilities

	06/30/2026	12/31/2025
ACCRUALS - LIABILITIES		
Accounts unavailable due to recovery procedures	28	11
Currency adjustment accounts	1,462	2,310
Accrued expenses	1,688	1,563
Deferred income	798	743
Other accruals	3,635	6,340
Subtotal	**7,611**	**10,967**
OTHER LIABILITIES		
Lease obligations – Real estate	774	799
Lease obligations – Other	40	13
Securities settlement accounts	1,523	555
Outstanding amounts payable on securities	190	200
Miscellaneous creditors	2,518	2,200
Subtotal	**5,045**	**3,767**
TOTAL	**12,656**	**14,734**

15c Lease liabilities by residual term

06/30/2026	D ≤ 1 year	1 year < D ≤ 3 years	3 years < D ≤ 6 years	6 years < D ≤ 9 years	D > 9 years	TOTAL
Lease obligations	179	272	216	98	50	815
■ Real estate	169	254	203	98	50	774
■ Other	10	18	13	0	0	41

12/31/2025	D ≤ 1 year	1 year < D ≤ 3 years	3 years < D ≤ 6 years	6 years < D ≤ 9 years	D > 9 years	TOTAL
Lease obligations	162	304	203	86	56	812
■ Real estate	161	298	197	86	56	799
■ Other	1	6	6	0	0	13

Note 16 Investments in equity consolidated companies

16a Share of net income of equity consolidated companies

06/30/2026	Country	Share held	Value of equity consolidation	Share of net income	Dividends received	Fair value of the investment (if listed)
ENTITIES UNDER SIGNIFICANT INFLUENCE						
Banque de Tunisie	Tunisia	35.33%	167	11	9	263
Euro-Information	France	26.81%	771	17	1	NC*
Euro Protection Surveillance	France	22.25%	18	3	13	NC*
LYF SA	France	46.25%	8	0	0	NC*
SCI La Tréflière	France	46.09%	10	0	0	NC*
TOTAL	**-**		**974**	**31**	**23**	

* *NC: Not communicated.*

12/31/2025	Country	Share held	Value of equity consolidation	Share of net income	Dividends received	Fair value of the investment (if listed)
ENTITIES UNDER SIGNIFICANT INFLUENCE						
Banque de Tunisie	Tunisia	35.33%	160	22	9	149
Euro-Information	France	26.81%	754	31	1	NC*
Euro Protection Surveillance	France	22.25%	18	6	14	NC*
LYF SA	France	46.25%	8	1	0	NC*
SCI La Tréflière	France	46.09%	10	0	0	NC*
TOTAL	**-**	**–%**	**951**	**60**	**24**	

* *NC: Not communicated.*

Note 17 Investment property

	12/31/2025	Increase	Decrease	Other	06/30/2026
Historical cost	91	8	-4	0	95
Depreciation and impairment	-36	-1	0	0	-36
NET AMOUNT	**56**	**7**	**-3**	**0**	**59**

The fair value of investment property carried at amortized cost is comparable to its carrying amount.

Note 18 Property, plant and equipment and intangible assets

18a Property, plant and equipment

	12/31/2025	Increase	Decrease	Other(1)	06/30/2026
HISTORICAL COST					
Operating sites	388	0	0	30	418
Operating buildings	2,981	24	-20	82	3,067
Usage rights – Real estate	1,664	79	-153	91	1,681
Usage rights – Other	17	0	0	69	86
Other property, plant and equipment	1,415	113	-113	96	1,511
TOTAL	**6,465**	**216**	**-286**	**368**	**6,763**
DEPRECIATION AND IMPAIRMENT					
Operating sites	0	0	0	0	0
Operating buildings	-2,065	-40	15	-71	-2,161
Usage rights – Real estate	-889	-90	121	-72	-930
Usage rights – Other	-4	-5	0	-38	-47
Other property, plant and equipment	-949	-31	79	-76	-977
TOTAL	**-3,907**	**-166**	**215**	**-257**	**-4,115**
NET AMOUNT	**2,558**	**50**	**-71**	**111**	**2,648**

(1) *Of which €329 million in historical cost and -€220 million in amortization and impairment related to the entry of OLB in 2026.*

18b Intangible assets

	12/31/2025	Increase	Decrease	Other (2)	06/30/2026
HISTORICAL COST					
Internally developed intangible assets(1)	341	2	-1	3	345
Purchased intangible assets	1,116	26	-17	743	1,868
■ software	352	10	-14	54	402
■ other	764	16	-3	689	1,466
TOTAL	**1,457**	**28**	**-18**	**746**	**2,213**
DEPRECIATION AND IMPAIRMENT					
Internally developed intangible assets(1)	-301	-6	1	-4	-310
Purchased intangible assets	-676	-109	29	-44	-800
■ software	-298	-14	14	-43	-341
■ other	-378	-95	15	-1	-459
TOTAL	**-977**	**-115**	**30**	**-48**	**-1,110**
NET AMOUNT	**480**	**-87**	**12**	**698**	**1,103**

(1) *These headings correspond to software developed internally and capitalized in our subsidiaries Oldenburgische Landesbank AG and TARGOBANK AG.*
(2) *Of which €741 million in historical cost and -€44 million in amortization and impairment related to the entry of OLB in 2026.*

Note 19 Goodwill

	12/31/2025	Increase	Decrease	Variation in impairment	Other	06/30/2026
Gross goodwill	4,710	2	-	-	-	4,712
Impairment	-2,468	-	-	-	-	-2,468
NET GOODWILL	**2,242**	**2**	**-**	**-**	**-**	**2,244**

Cash-generating units	Value of goodwill on 12/31/2025	Increase	Decrease	Variation in impairment	Other	Value of goodwill on 06/30/2026
TARGOBANK Germany	1,018	-	-	-	-	1,018
Crédit Industriel et Commercial (CIC)	506	-	-	-	-	506
Cofidis Group	306	-	-	-	-	306
La Française Group	189	-	-	-	-	189
Cofidis France	79	-	-	-	-	79
EBRA	45	2	-	-	-	47
SIIC Foncière Massena	26	-	-	-	-	26
Crédit Mutuel Equity SCR	21	-	-	-	-	21
Banque de Luxembourg	13	-	-	-	-	13
Cofidis Italie	9	-	-	-	-	9
Banque Transatlantique	6	-	-	-	-	6
Dubly Transatlantique Gestion	5	-	-	-	-	5
Carizy	4	-	-	-	-	4
Other	15	-	-	-	-	15
TOTAL	**2,242**	**2**	**0**	**0**	**0**	**2,244**

The cash-generating units to which goodwill is allocated are tested at least annually to determine their recoverable amount. An impairment loss is recognized through a write-down of goodwill when the recoverable amount is less than the carrying amount. The current economic environment, its observed impact on results as of June 30, 2026, and macroeconomic uncertainties for the coming years have led the group to identify potential indicators of impairment of goodwill. Consequently, the group has updated the impairment tests for its principal cash-generating units.

The recoverable amount is determined according to two types of methods:

- *the fair value net of sales costs, which is based on observation of valuation multiples on comparable transactions or market parameters adopted by the analysts on entities with similar activities;*
- *the value in use, which is based on the discounting of expected future cash flows after taking into account capital requirements: this method is generally used as at June 30, 2026.*

To determine the value in use, the cash flows are based on business plans prepared by the management over a maximum period of five to seven years, then on projection of a flow to infinity according to a long-term growth rate. The latter is set at 2% for the whole of Europe, which is an assumption measured against inflation rates observed over a very long period.

The discounted cash flow rate corresponds to the cost of capital, which is determined using a long-term risk-free rate plus a risk premium, weighted by a risk sensitivity coefficient enables an assessment of market volatility. The cost of capital was updated as of June 30, 2026, using:

- *9% for retail banking and leasing CGUs based in Germany;*
- *10% for retail banking, consumer finance and leasing CGUs based in France.*

The cash flows used to calculate the value in use are determined on the basis of regulatory capital requirements.

The main sensitivity factors for the recoverable amount test based on value in use are the discount rate and the expected level of future cash flows, which is itself impacted by the following sensitivity factors:

- *the achievement of business plans;*
- *the level of shareholders' equity allocated to each CGU;*
- *the perpetual growth rate.*

When the value in use was used as an impairment test, the parameters and their sensitivity were as follows:

	TARGOBANK Germany	Cofidis[1]	CIC
	Network bank	Consumer finance	Network bank
Cost of capital	9%	10%	10%
Effect of a 50 basis point increase in the cost of capital	-6%	-7%	-5%
Effect of a 50 basis point drop in the growth rate to infinity	0%	-1%	0%
Effect of a 50 basis point increase in CET1 capital requirements	-3%	-4%	-3%

(1) *Cofidis France and Cofidis Group.*

If the above sensitivity assumptions were used, this would not entail any impairment of goodwill on TARGOBANK Germany, Cofidis and CIC.

Note 20 Provisions

20a Provisions

	12/31/2025	Additions for the year	Reversals for the year (utilized provisions)	Reversals for the year (surplus provisions)	Other changes	06/30/2026
Provisions for risks	**569**	**210**	**-3**	**-147**	**5**	**634**
On guarantee commitments[2]	**340**	**121**	**0**	**-88**	**3**	**376**
■ of which 12-month expected losses (S1)	66	27	0	-22	1	72
■ of which expected losses at termination (S2)	84	39	0	-35	-1	87
■ of which provisions for execution of commitments upon signature	190	55	0	-31	3	217
On financing commitments[2]	**130**	**55**	**-1**	**-52**	**4**	**136**
■ of which 12-month expected losses (S1)	83	35	0	-32	1	87
■ of which expected losses at termination (S2)	42	13	0	-17	0	38
On country risks	**0**	**0**	**0**	**0**	**0**	**0**
Provisions for taxes	**2**	**0**	**-1**	**-1**	**1**	**1**
Provisions for claims and litigation	**31**	**28**	**-1**	**-2**	**1**	**57**
Provision for risk on miscellaneous receivables	**66**	**6**	**0**	**-4**	**-4**	**64**
Other provisions	**1,567**	**198**	**-252**	**-82**	**36**	**1,467**
■ Provisions for mortgage saving agreements	74	0	0	-8	0	66
■ Provisions for miscellaneous contingencies	865	52	-249	-73	34	629
■ Other provisions[1]	628	146	-3	-1	2	772
Provisions for retirement commitments	**927**	**59**	**-85**	**-8**	**-41**	**852**
TOTAL	**3,063**	**467**	**-340**	**-237**	**0**	**2,953**

[1] *Other provisions relate to provisions for French economic interest groups (SPV) totaling €639 million at June 30, 2026.*
[2] *This item includes a post-model adjustment – see note 1 "Accounting principles".*

The European regulatory framework designed to safeguard financial stability consists, in particular, of the Bank Recovery and Resolution Directive (BRRD) and the Single Resolution Mechanism Regulation (SRMR), which establishes the Single Resolution Mechanism and the Single Bank Resolution Fund (SRF).

This SRF was funded by contributions from all banks in the member states participating in the Banking Union and, by the end of 2023, had reached its target of a total endowment equal to or greater than 1% of the covered deposits of those same banks.
A portion of the contributions could be paid in the form of irrevocable payment undertakings (IPU) secured by interest-bearing cash deposits.

In the event that resolution measures involving the SRF are implemented, the Single Resolution Board may call upon all or part of the IPU contributions in order to restore the Fund's available financial resources, up to the aforementioned 1% ceiling.
Security deposits are intended to be refunded by the SRF once the contribution represented by the IPU has been paid.

The timeline for the call on irrevocable payment undertakings is considered uncertain and, if applicable, very long-term, given the resilience of the Eurozone banking system as highlighted by the results of the 2025 ECB stress tests. Since the framework was established, no intervention by the FRU has been necessary in the resolution cases handled by the Single Resolution Board. No resolution measures requiring the use of IPU are anticipated in the Eurozone within the foreseeable future.

Furthermore, the loss or withdrawal of the group's authorization is also considered highly unlikely in the context of going concern, given the stability and robustness of the Crédit Mutuel Group's mutualist model.

20b Retirement and other employee benefits

	12/31/2025	Additions for the year	Reversals for the year	Other changes	06/30/2026
DEFINED-BENEFIT PLANS NOT COVERED BY PENSION FUNDS					
Retirement benefits	760	24	-88	-51	645
Supplementary pensions	47	3	-5	0	45
Obligations for long-service awards (other long-term benefits)	109	32	0	10	151
Subtotal recognized	**916**	**59**	**-93**	**-41**	**841**
SUPPLEMENTARY DEFINED-BENEFIT PENSIONS COVERED BY PENSION FUNDS					
Commitments to employees and retirees[1]	11	0	0	0	11
Fair value of assets	-	-	-	-	-
Subtotal recognized	**11**	**0**	**0**	**0**	**11**
Other commitments	0	0	0	0	0
TOTAL RECOGNIZED	**927**	**59**	**-93**	**-41**	**852**

The 2026 Finance Act eliminated the tax exemption–which had been in effect through December 31, 2025–on bonuses related to long-service awards.
Consequently, the resulting social security exemption will also be eliminated, following a grace period, after December 31, 2026. The taxes payable by the plan on benefits resulting from services rendered prior to the reporting date constitute a financial actuarial assumption to be taken into account in calculating the present value of the obligation–therefore, the effects of the elimination of the social security exemption are factored into the valuation of the provision as of June 30, 2026.

Defined-benefit plans: Main actuarial assumptions	06/30/2026	12/31/2025
Discount rate[2]	4.20%	3.80%
Expected increase in salaries[3]	Minimum 2.43%	Minimum 3.73%

[1] The provisions covering shortfalls in pension funds relate to entities located abroad.
[2] The discount rate, which is determined by reference to the long-term rate on private-sector borrowings, is based on the IBOXX index.
[3] The annual increase in salaries is the estimate of future inflation combined with the increase in salaries; it also depends on the age of the employee.

Note 21 Subordinated debt

	06/30/2026	12/31/2025
Subordinated debt	12,154	12,597
Participating loans	0	0
Perpetual subordinated debt	500	500
Other debt	0	0
Related debt	133	260
TOTAL	**12,787**	**13,357**

PRINCIPAL SUBORDINATED DEBT

(in € millions)	Type	Issue Date	Issue Amount	Amount at year-end[1]	Rate	Term
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	09/12/2016	€300m	€300m	2.130	09/12/2026
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	11/04/2016	€700m	€695m	1.875	11/04/2026
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	03/31/2017	€500m	€493m	2.625	03/31/2027
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	11/15/2017	€500m	€487m	1.625	11/15/2027
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	05/25/2018	€500m	€485m	2.50	05/25/2028
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	06/18/2019	€1,000m	€1,000m	1.875	06/18/2029
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	11/19/2021	€750m	€654m	1.125	11/19/2031
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	06/16/2022	€1,250m	€1,239m	3.875	06/16/2032
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	01/11/2023	€1,250m	€1,269m	5.125	01/11/2033
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	01/11/2024	€1,500m	€1,476m	4.375	01/11/2034
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	01/15/2025	€1,250m	€1,238m	4.00	01/15/2035
Banque Fédérative du Crédit Mutuel	redeemable subordinated notes/TSR	11/14/2025	€750m	€739m	3.75	05/14/2036
Assurances du Crédit Mutuel	redeemable subordinated notes/TSR	10/21/2021	€750m	€763m	(2)	04/21/2042
Assurances du Crédit Mutuel	redeemable subordinated notes/TSR	04/30/2024	€500m	€500m	(3)	10/30/2044
Oldenburgische Lansdesbank	redeemable subordinated notes/TSR	01/24/2024	€170m	€167m	(4)	04/24/2034
Oldenburgische Lansdesbank	redeemable subordinated notes/TSR	03/11/2024	€150m	€149m	(5)	04/24/2034
Banque Fédérative du Crédit Mutuel	Borrowings	12/28/2005	€500m	€500m	(6)	indeterminate

(1) *Net intra-group amounts and revaluation differences on hedged instruments.*
(2) *Fixed rate of 1.85% until April 21, 2032; variable rate of 3-month Euribor +2.65% thereafter.*
(3) *Fixed rate of 5% until October 30, 2034; variable rate of 3-month Euribor +3.25% thereafter.*
(4) *Fixed rate of 8.5% until April 24, 2029, variable at the 5-year Euro mid-swap rate +5.830% thereafter.*
(5) *Fixed rate of 8% until April 24, 2029, variable at the 5-year Euro mid-swap rate +5.207% thereafter.*
(6) *1-year Euribor rate +0.3 basis points.*

Note 22 Reserves related to capital and reserves

22a Shareholders' equity attributable to the group (excluding profit and loss and unrealized gains and losses)

	06/30/2026	12/31/2025
Capital and reserves related to capital	6,568	6,568
■ Capital	1,715	1,715
■ Issue premium, contribution, merger, split, conversion	4,853	4,853
Consolidated reserves	36,591	33,788
■ Regulated reserves	9	9
■ Other reserves (including effects related to initial application)	36,581	33,778
■ of which profit on disposal of equity instruments	128	125
■ of which Retained earnings	1	1
TOTAL	**43,159**	**40,356**

22b Unrealized or deferred gains and losses

	06/30/2026	12/31/2025
Unrealized or deferred gains or losses[1] relating to:		
■ Investments of insurance activities in FVTPL – Debt instruments	-581	-559
■ Investments of insurance activities in FVTPL – Equity instruments	1,219	1,160
■ Financial assets at fair value through recyclable equity – debt instruments	-142	-141
■ Financial assets at fair value through non-recyclable equity – equity instruments	-7	6
■ Hedging derivatives (CFH)	9	0
■ Translation adjustments	91	29
■ Share of unrealized or deferred gains and losses of associates	-41	-41
■ Actuarial gains and losses on defined benefit plans	102	-21
■ Credit risk on financial liabilities under fair value transferred to reserves	-	-
■ Other	-	-
TOTAL	**651**	**434**

(1) *Balances net of corporation tax and after shadow accounting treatment.*

22c Recycling of gains and losses directly recognized in shareholders' equity

	06/30/2026	12/31/2025
	Operations	Operations
Translation adjustments		
Reclassification in income	0	0
Other movement	63	-209
Subtotal	**63**	**-209**
Revaluation of financial assets at FVOCI – debt instruments		
Reclassification in income	0	0
Other movement	-1	180
Subtotal	**-1**	**180**
Revaluation of financial assets at FVOCI – equity instruments		
Reclassification in income	0	0
Other movement	-13	54
Subtotal	**-13**	**54**
Revaluation of hedging derivatives		
Reclassification in income	0	0
Other movement	9	11
Subtotal	**9**	**11**
Revaluation of financial assets at FVOCI of Insurance		
Reclassification in income	0	0
Other movement	147	-201
Subtotal	**147**	**-201**
Revaluation of insurance and reinsurance contracts in recyclable shareholders' equity		
Reclassification in income	0	0
Other movement	-111	374
Subtotal	**-111**	**374**
Actuarial gains and losses on defined benefit plans	123	31
Share of unrealized or deferred gains and losses of associates	0	-2
TOTAL	**217**	**239**

22d Tax related to each category of gains and losses recognized directly in shareholders' equity

	06/30/2026			12/31/2025		
	Gross amount	Tax	Net amount	Gross amount	Tax	Net amount
Translation adjustments	63	0	63	-209	0	-209
Revaluation of financial assets at FVOCI - debt instruments	-4	3	-1	242	-62	180
Revaluation of financial assets at FVOCI - equity instruments	-14	1	-13	54	0	54
Revaluation of financial assets at FVOCI of Insurance	174	-27	147	-274	72	-201
Revaluation of hedging derivatives	12	-3	9	15	-4	11
Revaluation of insurance and reinsurance contracts in recyclable shareholders' equity	-149	39	-111	505	-130	374
Revaluation of non-current assets	0	0	0	0	0	0
Revaluation differences related to own credit risk on financial liabilities under fair value option transferred to reserves	0	0	0	0	0	0
Actuarial gains and losses on defined benefit plans	160	-36	123	54	-23	31
Share of unrealized or deferred gains and losses of associates	0	0	0	-2	0	-2
CHANGES IN GAINS AND LOSSES RECOGNIZED DIRECTLY IN EQUITY	**242**	**-25**	**217**	**385**	**-147**	**239**

Note 23 Commitments given and received

COMMITMENTS GIVEN

	06/30/2026	12/31/2025
Financing commitments	**71,203**	**70,268**
Commitments due to credit institutions	821	698
Commitments to customers	70,382	69,570
Guarantee commitments	**32,801**	**32,564**
Credit institution commitments	4,327	4,955
Customer commitments	28,474	27,609
Securities commitments	**18,082**	**11,130**
Securities acquired with option to repurchase	0	0
Other commitments given	18,082	11,130
Commitments pledged from Insurance	**5,887**	**5,853**

COMMITMENTS RECEIVED

	06/30/2026	12/31/2025
Financing commitments	**31,853**	**30,273**
Commitments received from credit institutions	31,853	30,273
Guarantee commitments	**101,884**	**88,887**
Commitments received from credit institutions	69,595	60,700
Commitments received from customers	32,289	28,187
Securities commitments	**14,068**	**7,390**
Securities sold with option to repurchase	0	0
Other commitments received	14,068	7,390
Commitments received from Insurance	**3,520**	**3,130**

Note 24 Interest income and expense

	06/30/2026		06/30/2025	
	Income	Expenses	Income	Expenses
Credit institutions and central banks	1,547	-842	2,390	-1,262
Customers	7,368	-2,323	6,503	-2,632
■ of which finance and operating leases	677	-220	646	-199
■ of which lease liability	0	-8	0	-8
Hedging derivatives	4,451	-4,533	4,134	-4,383
Financial assets at fair value through profit or loss	692	-285	701	-340
Financial assets at fair value through equity	819	0	813	0
Securities at amortized cost	56	0	76	0
Debt securities	0	-2,787	0	-2,602
Subordinated debt	0	-12	0	-16
TOTAL	**14,933**	**-10,782**	**14,617**	**-11,235**
of which interest income and expense calculated at the effective interest rate:	9,792	-5,963	9,781	-6,513

Note 25 Commissions

	06/30/2026		06/30/2025	
	Income	Expenses	Income	Expenses
Credit institutions	3	-4	3	-4
Customers	824	-5	774	-5
Securities	698	-91	589	-74
of which activities managed on behalf of third parties	482	0	419	0
Derivative instruments	2	-7	2	-7
Currency transactions	15	0	14	-1
Funding and guarantee commitments	40	-8	41	-17
Services provided	947	-632	966	-635
TOTAL	**2,529**	**-747**	**2,389**	**-743**

Note 26 Net gains on financial instruments at fair value through profit or loss

	06/30/2026	06/30/2025
Trading instruments	281	209
Instruments accounted for under the fair value option	-11	-1
Ineffective portion of hedges	13	-22
On fair value hedges (FVH)	13	-22
■ Change in the fair value of hedged items	79	-507
■ Change in the fair value of hedging instruments	-66	485
Foreign exchange gains/(losses)	16	67
Other financial instruments at fair value through profit or loss[1]	-35	586
TOTAL CHANGES IN FAIR VALUE	**264**	**839**

(1) *Of which €149 million came from private equity in the first half of 2026 compared to €181 million in the first half of 2025. The other changes correspond to changes in the fair value of the other portfolios at fair value.*

Note 27 Net gains or losses on financial assets at fair value through shareholders' equity

	06/30/2026	06/30/2025
Dividends	30	10
Realized gains and losses on debt instruments	5	6
TOTAL	**35**	**16**

Note 28 Net gains or losses resulting from derecognition of financial assets at amortized cost

	06/30/2026	06/30/2025
Financial assets at amortized cost	0	0
Realized gains/(losses) on:	0	2
Government securities	0	0
Bonds and other fixed-income securities	0	2
TOTAL	**0**	**2**

Note 29 Net income from insurance activities

	06/30/2026	06/30/2025
Revenues from insurance contracts	4,116	3,901
Losses from insurance contracts	-3,406	-3,170
Income from insurance contracts	**710**	**731**
Expenses net of reinsurance treaties	-79	-67
Insurance service result	**631**	**664**
Net income from insurance financial investments	4,969	3,115
Financial income or financial expenses from insurance contracts issued	-4,834	-2,992
Financial income or expenses related to reinsurance contracts held	3	3
Other income and expenses	0	0
TOTAL	**770**	**790**

29a Breakdown of income from insurance and reinsurance activities

	06/30/2026	06/30/2025
INSURANCE		
Income from insurance contracts not measured under the premium allocation approach (PAA)	0	0
■ Contractual service margin recognized in income over the period	347	341
■ Change in the adjustment for non-financial risk not related to past services	93	73
■ Portion of premiums allocated to the recovery of insurance acquisition cash flows	8	7
■ Expected claims expenses for the period and other related expenses	934	900
■ Other	17	11
Income from insurance contracts not measured under the premium allocation approach (PAA)	**1,400**	**1,333**
Income from insurance contracts measured under the premium allocation approach (PAA)	**2,716**	**2,567**
Expenses related to insurance contracts	**-3,406**	**-3,170**
TOTAL INSURANCE SERVICE RESULT	**710**	**731**
REINSURANCE		
Income from insurance contracts not measured under the premium allocation approach (PAA)	0	0
■ Contractual service margin recognized in income over the period	-2	-2
■ Change in the adjustment for non-financial risk not related to past services	-1	-1
■ Expected claims expenses for the period and other related expenses	-6	-6
■ Other	0	0
Expenses relating to reinsurance contracts not measured under the premium allocation approach (PAA)	**-9**	**-9**
Income from reinsurance contracts measured under the premium allocation approach (PAA)	**-84**	**-67**
Revenues from insurance contracts	**14**	**9**
TOTAL REINSURANCE SERVICE RESULT	**-79**	**-67**

29b Net income from investments related to insurance activities

	06/30/2026	06/30/2025
Interest income and expense	**1,154**	**963**
Loans and receivables at amortized cost	-43	-35
Financial instruments at fair value through profit or loss	179	155
Financial assets at fair value through equity	1,018	843
Commissions on securities	**19**	**17**
Net gains on financial instruments at fair value through profit or loss	**3,617**	**1,940**
■ Trading instruments	0	0
■ Foreign exchange gains/(losses)	19	-35
■ Other financial instruments at fair value through profit or loss	3,597	1,975
Net gains or losses on financial assets at fair value through shareholders' equity	**165**	**176**
■ Dividends	169	168
■ Realized gains and losses on debt instruments	-4	8
Net gains or losses on financial assets and liabilities at amortized cost	**0**	**0**
Net income on investment property	**24**	**22**
Cost of credit risk on investments related to insurance activities	**-10**	**-3**
TOTAL	**4,969**	**3,115**

29c Relationship between insurance income/financial expense and investment return on assets

	06/30/2026	06/30/2025
Interest income and expense	1,154	963
Other investment income	3,825	2,155
Cost of risk on insurance financial investments	-10	-3
NET INVESTMENT INCOME	**4,969**	**3,115**
Change in fair value of underlying items of contracts with direct participation feature	-4,764	-2,929
Impact of the risk mitigation option	0	0
Accrued interest	-70	-64
Accretion of insurance liabilities	0	0
Impact of changes in discount rates and other financial assumptions	-272	68
net foreign exchange losses	0	0
NET FINANCIAL EXPENSE ON INSURANCE CONTRACTS	**-5,106**	**-2,924**
Accrued interest	4	3
Other income	5	-4
NET FINANCIAL RESULT FROM REINSURANCE CONTRACTS	**8**	**-1**
Change in investment contracts (liabilities)	327	49
Changes in investments in consolidated companies	0	0
TOTAL	**199**	**238**
of which recognized in profit or loss	139	126
of which recognized in OCI	60	113

Note 30 Income/expenses generated by other activities

	06/30/2026	06/30/2025
INCOME FROM OTHER ACTIVITIES		
Rebilled expenses	28	30
Other income	601	629
Subtotal	**629**	**659**
EXPENSES ON OTHER ACTIVITIES		
Investment property:	-1	-1
■ additions to provisions/depreciation	-1	-1
Other expenses	-231	-783
Subtotal	**-232**	**-784**
NET TOTAL OF OTHER INCOME AND EXPENSES	**397**	**-125**

Note 31 General operating expenses

	06/30/2026	06/30/2025
Employee benefit expense	-1,986	-1,822
Other general operating expenses	-1,518	-1,317
Movements in depreciation, amortization and impairment for property, plant and equipment and intangible assets	-267	-174
General insurance operating expenses (non-attributable)	-90	-92
TOTAL	**-3,861**	**-3,405**

31a Employee benefit expense

	06/30/2026	06/30/2025
Wages and salaries	-1,305	-1,127
Social security contributions	-452	-469
Short-term employee benefits	-2	-1
Employee profit-sharing and incentive schemes	-105	-106
Payroll-based taxes	-122	-119
Other	0	0
TOTAL	**-1,986**	**-1,822**

WORKFORCE

Average workforce (in full-time equivalent)	06/30/2026	06/30/2025
Bank technical staff	24,934	24,131
Managers	19,488	18,409
TOTAL	**44,422**	**42,540**
France	*29,717*	*29,767*
Rest of the world	*14,705*	*12,773*

The average full-time equivalent headcount (FTE) is limited to the scope of full consolidation.

31b Other operating expenses

	06/30/2026	06/30/2025
Taxes and duties	-145	-166
Leases	-104	-98
■ short-term asset leases	-36	-37
■ low value/substitutable asset leases[1]	-62	-55
■ other leases	-6	-6
Other external services	-1,257	-1,040
Other income and expenses	-12	-13
TOTAL	**-1,518**	**-1,317**

[1] *Includes IT equipment.*

31c Movements in depreciation, amortization and impairment for property, plant and equipment and intangible assets

	06/30/2026	06/30/2025
Depreciation and amortization:	-231	-173
■ property, plant and equipment	-167	-156
including usage rights	*-95*	*-87*
■ intangible assets	-64	-17
Impairment:	-36	-1
■ property, plant and equipment	0	0
■ intangible assets	-36	-1
TOTAL	**-267**	**-174**

31d Reconciliation of expenses by type versus destination for insurance activities

	06/30/2026	06/30/2025
	Total	Total
Employee benefit expense	**-345**	**-325**
Wages and salaries	-251	-244
Social security contributions	-44	-41
Short-term employee benefits	-9	-3
Employee profit-sharing and incentive schemes	-23	-20
Payroll-based taxes	-16	-16
Other	-2	-1
Other operating expenses	**-431**	**-402**
Taxes & duties	-41	-47
Leases	-11	-11
■ short-term asset leases	0	0
■ low value/substitutable asset leases	0	0
■ other leases	-11	-11
Other external services	-338	-313
Patronage	-22	-20
Other miscellaneous expenses	-18	-11
Movements in depreciation, amortization and provisions for property, plant and equipment and intangible assets	**-4**	**-3**
Amortizations	-4	-3
■ PPE	-4	-3
including usage rights	-2	-2
■ Intangible assets	0	0
Write down	0	0
■ PPE	0	0
■ Intangible assets	0	0
General operating expenses related to insurance activities	**-780**	**-730**
Commissions, fees and other similar expenses	-605	-573
Acquisition costs for the period deferred on the balance sheet	13	10
Amortized acquisition costs	0	0
Impaired acquisition costs	0	0
Other expenses related to insurance activities	**-592**	**-563**
TOTAL INSURANCE CONTRACT COSTS	**-1,372**	**-1,293**
Of which insurance contracts attributable costs allocated to insurance services expenses	-1,281	-1,201
Of which insurance contracts non-attributable costs not allocated to insurance services expenses	-90	-92

Note 32 Cost of counterparty risk

	06/30/2026	06/30/2025
■ 12-month expected losses (S1)	-88	4
■ Expected losses at termination (S2)	-16	-53
■ Impaired assets (S3)	-999	-733
TOTAL	**-1,103**	**-782**

The cost of risk on financial instruments used in insurance activities is presented in net revenue (see note 29b).

06/30/2026	Allowances	Reversals	Loan losses covered by provisions	Loan losses not covered by provisions	Recovery of loans written off in prior years	TOTAL
12-month expected losses (S1)	**-567**	**479**	**0**	**0**	**0**	**-88**
■ Loans and receivables due from credit institutions at amortized cost	-1	1	0	0	0	0
■ Loans and receivables due from customers at amortized cost	-493	415	0	0	0	-78
of which finance leases	-28	30	0	0	0	2
■ Financial assets at amortized cost - securities	-1	0	0	0	0	-1
■ Financial assets at fair value through equity - Debt securities	-9	9	0	0	0	0
■ Financial assets at fair value through equity - Loans	0	0	0	0	0	0
■ Commitments given	-63	54	0	0	0	-9
Expected losses at termination (S2)	**-1,116**	**1,100**	**0**	**0**	**0**	**-16**
■ Loans and receivables due from credit institutions at amortized cost	0	0	0	0	0	0
■ Loans and receivables due from customers at amortized cost	-1,063	1,047	0	0	0	-16
of which finance leases	-51	42	0	0	0	-9
■ Financial assets at amortized cost - securities	0	0	0	0	0	0
■ Financial assets at fair value through equity - Loans	-1	1	0	0	0	0
■ Financial assets at fair value through equity - debt securities	0	0	0	0	0	0
■ Commitments given	-52	52	0	0	0	0
Impaired assets (S3)	**-1,694**	**1,283**	**-556**	**-93**	**61**	**-999**
■ Loans and receivables due from credit institutions at amortized cost	0	0	0	0	0	0
■ Loans and receivables due from customers at amortized cost	-1,621	1,242	-554	-91	61	-963
of which finance leases	-23	13	-7	-2	0	-19
■ Financial assets at amortized cost - securities	0	0	0	0	0	0
■ Financial assets at fair value through equity - Debt securities	0	0	0	0	0	0
■ Financial assets at fair value through equity - Loans	0	0	0	0	0	0
■ Commitments given	-73	41	-2	-2	0	-36
TOTAL	**-3,377**	**2,862**	**-556**	**-93**	**61**	**-1,103**

06/30/2025	Allowances	Reversals	Loan losses covered by provisions	Loan losses not covered by provisions	Recovery of loans written off in prior years	TOTAL
12-month expected losses (S1)	**-605**	**609**	**0**	**0**	**0**	**4**
■ Loans and receivables due from credit institutions at amortized cost	0	0	0	0	0	0
■ Loans and receivables due from customers at amortized cost	-510	534	0	0	0	24
of which finance leases	-34	31	0	0	0	-3
■ Financial assets at amortized cost - securities	0	0	0	0	0	0
■ Financial assets at fair value through equity - Debt securities	-9	7	0	0	0	-2
■ Financial assets at fair value through equity - Loans	0	0	0	0	0	0
■ Commitments given	-86	68	0	0	0	-18
Expected losses at termination (S2)	**-1,160**	**1,107**	**0**	**0**	**0**	**-53**
■ Loans and receivables due from credit institutions at amortized cost	0	0	0	0	0	0
■ Loans and receivables due from customers at amortized cost	-1,081	1,027	0	0	0	-54
of which finance leases	-45	44	0	0	0	-1
■ Financial assets at amortized cost - securities	0	0	0	0	0	0
■ Financial assets at fair value through equity - Loans	0	0	0	0	0	0
■ Financial assets at fair value through equity - Debt securities	0	0	0	0	0	0
■ Commitments given	-79	80	0	0	0	1
Impaired assets (S3)	**-1,363**	**1,112**	**-362**	**-166**	**46**	**-733**
■ Loans and receivables due from credit institutions at amortized cost	0	0	0	0	0	0
■ Loans and receivables due from customers at amortized cost	-1,315	1,074	-362	-164	46	-721
of which finance leases	-19	14	-5	-2	1	-11
■ Financial assets at amortized cost - securities	0	0	0	0	0	0
■ Financial assets at fair value through equity - Debt securities	0	0	0	0	0	0
■ Financial assets at fair value through equity - Loans	0	0	0	0	0	0
■ Commitments given	-48	38	0	-2	0	-12
TOTAL	**-3,128**	**2,828**	**-362**	**-166**	**46**	**-782**

Note 33 Net gains and losses on other assets

	06/30/2026	06/30/2025
Property, plant and equipment and intangible assets	-1	-1
■ Capital losses on disposals	-4	-10
■ Capital gains on disposals	3	9
Gains/(losses) on disposals of shares in consolidated entities	3	1
TOTAL	**2**	**0**

Note 34 Changes in the value of goodwill

	06/30/2026	06/30/2025
Impairment of goodwill	0	0
Negative goodwill stated in profit or loss	5	1
TOTAL	**5**	**1**

Note 35 Income tax

BREAKDOWN OF INCOME TAX EXPENSE

	06/30/2026	06/30/2025
Current taxes	-654	-759
Deferred tax expense/income	-23	-58
Adjustments in respect of prior years	-8	53
TOTAL	**-685**	**-764**

The income tax expense includes a surcharge of -€232 million in the first half of 2026 corresponding to the exceptional contribution on the profits of large companies included in the 2026 Finance Act. The surcharge was -€377 million in the first half of 2025.

Note 36 Earnings per share

	06/30/2026	06/30/2025
Group net income	1,588	1,447
Number of shares at beginning of year	34,302,302	34,302,302
Number of shares at end of year	34,302,302	34,302,302
Weighted average number of shares	34,302,302	34,302,302
Basic earnings per share	46.30	42.17
Weighted average number of shares that may be issued	0	0
Diluted earnings per share	46.30	42.17

Note 37 Outstandings on related party transactions

BALANCE SHEET ITEMS PERTAINING TO RELATED PARTY TRANSACTIONS

	06/30/2026			12/31/2025		
	Associates (companies accounted for using the equity method)	Other establishments belonging to the National Confederation	Crédit Mutuel Alliance Fédérale parent companies	Associates (companies accounted for using the equity method)	Other establishments belonging to the National Confederation	Crédit Mutuel Alliance Fédérale parent companies
ASSETS						
Financial assets at fair value through profit or loss	0	598	0	0	595	0
Hedging derivatives	0	0	347	0	0	409
Financial assets at FVOCI	0	0	0	0	0	0
Financial assets at amortized cost	12	1,374	32,262	12	1,047	31,954
Investments of insurance activities	0	202	0	0	264	0
Insurance contracts issued - Assets	0	0	0	0	0	0
Reinsurance contracts held - Assets	0	0	0	0	0	0
Other assets	8	0	3	8	0	3
TOTAL	**19**	**2,175**	**32,612**	**20**	**1,907**	**32,366**
LIABILITIES						
Liabilities at fair value through profit or loss	0	254	0	0	252	0
Hedging derivatives	0	1	1,480	0	1	1,643
Debt securities	0	30	0	0	28	0
Due to credit institutions	11	571	18,190	17	644	15,145
Due to customers	1,134	0	28	1,172	0	27
Insurance contracts issued - liabilities	0	0	0	0	0	0
Debt securities	0	55	654	0	56	647
Miscellaneous liabilities	134	8	1	136	0	3
TOTAL	**1,279**	**919**	**20,353**	**1,325**	**980**	**17,466**
Financing commitments given	0	0	2	0	0	1
Guarantees commitments given	3	1	4,946	3	3	4,906
Financing commitments received	0	0	21	0	0	21
Guarantees commitments received	0	700	3,968	0	665	3,667

BALANCE SHEET ITEMS PERTAINING TO RELATED PARTY TRANSACTIONS

	06/30/2026			06/30/2025		
	Associates (companies accounted for using the equity method)	Other establishments belonging to the National Confederation	Crédit Mutuel Alliance Fédérale parent companies	Associates (companies accounted for using the equity method)	Other establishments belonging to the National Confederation	Crédit Mutuel Alliance Fédérale parent companies
Interest income	0	57	944	0	52	848
Interest expense	-11	-39	-809	-12	-43	-879
Commission income	5	0	11	5	0	14
Commission expense	-53	-4	-21	-55	-4	-28
Net gains/(losses) on financial assets at FVOCI and FVPL	13	-9	-1	13	4	136
Income from insurance contracts issued	1	3	54	0	0	53
Expenses related to insurance contracts issued	-96	-65	-467	-88	-63	-439
Financial income or expenses related to reinsurance contracts held	0	-1	0	0	-1	0
Net income from financial investments related to insurance activities	0	3	10	0	3	10
Other income and expenses	-4	2	19	-2	2	20
General operating expenses	-433	-1	-119	-400	-1	-97
TOTAL	**-579**	**-53**	**-378**	**-538**	**-50**	**-362**

Note 38 Fair value hierarchy of financial instruments recognized at amortized cost

The financial instruments presented in this section include loans and borrowings. They do not include non-monetary items (shares), supplier accounts, other asset and liability accounts, or accruals.

Non-financial instruments are not discussed in this section.

The fair value of loans and receivables due from customers is based on a calculation of discounted estimated future cash flows.

The discount rates used depend on the type of loan (home, consumer, equipment and cash loans) and the loan rate curves observed in the quarter preceding the reporting date.

The fair value of financial instruments repayable on demand and regulated customer savings deposits equals the amount that may be requested by the customer, *i.e.* the carrying amount.

Readers are cautioned that financial instruments carried at amortized cost are not transferable or are not, in practice, sold prior to maturity. As a result, no gains or losses will be recognized.

However, if financial instruments carried at amortized cost were to be sold, their sale price could differ significantly from the fair value calculated at June 30, 2026.

	06/30/2026					
	Market value	Carrying amount	Level 1	Level 2	Level 3	TOTAL
Financial assets at amortized cost	**448,569**	**453,002**	**3,683**	**74,642**	**370,245**	**448,569**
Loans and receivables due from credit institutions	63,107	64,439	0	62,424	683	63,107
Loans and receivables due from customers[2]	379,264	382,203	0	9,835	369,429	379,264
Securities	6,199	6,360	3,683	2,383	133	6,199
Investments in insurance business line at amortized cost	**119**	**119**	**0**	**119**	**0**	**119**
Loans and receivables	119	119	0	119	0	119
Financial liabilities at amortized cost	**558,532**	**558,068**	**1,765**	**492,335**	**64,432**	**558,532**
Due to credit institutions	55,874	55,952	0	51,487	4,387	55,874
Due to customers	314,747	313,941	0	258,081	56,667	314,747
Debt securities[1]	174,670	175,389	502	171,299	2,870	174,670
Subordinated debt	13,240	12,787	1,263	11,469	508	13,240

(1) *The fair value of financial liabilities at amortized cost in the balance sheet is disclosed above in accordance with IFRS 13.*
(2) *Including unrealized capital gains on hedging swaps (€0.5 billion), the unrealized capital loss on loans amounted to €2.5 billion.*

	12/31/2025					
	Market value	Carrying amount	Level 1	Level 2	Level 3	TOTAL
Financial assets at amortized cost	**416,801**	**420,628**	**3,458**	**71,724**	**341,619**	**416,801**
Loans and receivables due from credit institutions	60,889	62,360	0	59,896	992	60,889
Loans and receivables due from customers	349,932	352,115	0	9,437	340,494	349,932
Securities	5,980	6,153	3,458	2,390	132	5,980
Investments in insurance business line at amortized cost	**47**	**47**	**0**	**47**	**0**	**47**
Loans and receivables	47	47	0	47	0	47
Financial liabilities at amortized cost	**515,581**	**514,921**	**1,758**	**456,081**	**57,742**	**515,581**
Due to credit institutions	43,374	43,477	0	43,374	0	43,374
Due to customers	296,451	295,688	0	238,864	57,587	296,451
Debt securities[1]	162,121	162,398	501	161,464	156	162,121
Subordinated debt	13,635	13,357	1,257	12,378	0	13,635

(1) *The fair value of financial liabilities at amortized cost in the balance sheet is disclosed above in accordance with IFRS 13.*

Note 39 Events after the reporting period and other information

On Thursday, July 16, 2026, Assurances du Crédit Mutuel signed a share disposal agreement with a view to acquiring approximately 3.4% of the share capital of Ardian from AXA.

The transaction will take Assurances du Crédit Mutuel's overall stake in Ardian to approximately 23%.

The transaction is expected to be completed between the end of 2026 and the beginning of 2027, subject to the obtaining of the required regulatory approvals.

6.3 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Banque Fédérative du Crédit Mutuel

4, rue Frédéric-Guillaume Raiffeisen

67000 Strasbourg, France

Statutory auditors' report on the 2026 interim financial information

Period from January 1, 2026 to June 30, 2026

To the Shareholders' Meeting of Banque Fédérative du Crédit Mutuel,

In performance of the mission entrusted to us by your Shareholders' Meeting and in accordance with the requirements of Article L.451-1-2 III of the French Monetary and Financial Code, we hereby report to you on:

- the limited review of the condensed consolidated interim financial statements of Banque Fédérative du Crédit Mutuel for the period from January 1, 2026 to June 30, 2026, as attached to this report;

- the verification of the information provided in the interim business report.

These condensed consolidated interim financial statements were prepared under the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our limited review.

I - Conclusion on the financial statements

We conducted our limited review according to applicable professional standards in France.

A limited review consists mainly of interviewing the members of management in charge of accounting and financial aspects and implementing analytical procedures. This work is less extensive than that required for an audit conducted in accordance with the professional standards applicable in France. Consequently, assurance that the financial statements, taken as a whole, are free from material misstatements obtained during a limited review is a moderate assurance, lower than that obtained in the context of an audit.

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34 – IFRS standard as adopted by the European Union applicable to interim financial information.

II - Specific verification

We have also verified the information presented in the interim business report on the condensed consolidated interim financial statements subject to our limited review.

We have no comment to make as to their accuracy or consistency with the condensed consolidated interim financial statements.

Paris-La-Défense, August 5, 2026

Neuilly-sur-Seine, August 5, 2026

KPMG S.A.

Arnaud BOURDEILLE
Partner

Maxime VAN DEN BROEK
Partner

PricewaterhouseCoopers France

Jean-Baptiste DESCHRYVER
Partner

7

Additional information to the information published in the 2025 universal registration document

The following paragraph supersede the ones published in the 2025 Universal Registration Document filed on April 8, 2026.

Statutory auditors for the scope of the annual and consolidated financial statements BFCM

KPMG SA, member of *Compagnie Régionale de Versailles* - represented by Mr. Arnaud Bourdeille and Mr Maxime Van Den Broek- Tour Eqho 2, avenue Gambetta CS 60055 - 92066 Paris-La Défense Cedex.

Start date of first term of office: May 10, 2022.

Current term of office: six fiscal years with effect from May 10, 2022.

Appointment: The Shareholders' Meeting of BFCM of May 10, 2022 appointed KPMG SA to replace Ernst & Young et Autres firm as principal statutory auditors for a period of six fiscal years, *i.e.* until the close of the Shareholders' Meeting called to approve the financial statements for the 2027 fiscal year.

PricewaterhouseCoopers France, member of the *Compagnie Régionale de Versailles* - represented by Mr. Jean-Baptiste Deschryver - 63, rue de Villiers 92200 Neuilly-sur-Seine.

Start date of first term of office: May 11, 2016.

Current term of office: six fiscal years with effect from May 10, 2022.

Renewal: The Shareholders' Meeting of BFCM of May 10, 2022 reappointed PricewaterhouseCoopers France as the principal statutory auditor for a period of six fiscal years, *i.e.* until the close of the Shareholders' Meeting called to approve the financial statements for the 2027 fiscal year.

Principal statutory auditors on the scope of the consolidated financial statements Crédit Mutuel Alliance Fédérale carried by Caisse Fédérale de Crédit Mutuel

KPMG SA, member of *Compagnie Régionale de Versailles*s - represented by Mr. Arnaud Bourdeille and Mr Maxime Van Den Broek- Tour Eqho 2, avenue Gambetta CS 60055 - 92066 Paris-La Défense Cedex.

Start date of first term of office: May 10, 2022.

Current term of office: six fiscal years with effect from May 10, 2022.

Appointment: The Shareholders' Meeting of Caisse Fédérale de Crédit Mutuel held on May 10, 2022 appointed KPMG SA as statutory auditor to replace Ernst & Young et Autres for a period of six fiscal years, *i.e.* until the close of the Shareholders' Meeting called to approve the financial statements for the 2027 fiscal year.

PricewaterhouseCoopers France, member of the *Compagnie Régionale de Versailles* - represented by Mr.. Jean-Baptiste Deschryver - 63, rue de Villiers 92200 Neuilly-sur-Seine.

Start date of first term of office: May 26, 2016.

Current term of office: six fiscal years with effect from May 10, 2022.

Renewal: The Shareholders' Meeting of Caisse Fédérale du Crédit Mutuel of May 10, 2022 reappointed PricewaterhouseCoopers France as the principal statutory auditor for a period of six fiscal years, *i.e.* until the close of the Shareholders' Meeting called to approve the financial statements for the 2027 fiscal year.

8

Capital and legal information

8.1 SHARE CAPITAL

At June 30, 2026, the share capital of Banque Fédérative du Crédit Mutuel amounted to €1,715,115,100.00. It is divided into 34,302,302 shares each with a nominal value of €50, all of the same class.

The Shareholders' Meeting of April 30, 2026 decided on a capital increase through the issue of 12,595 new shares with a nominal value of €50 as compensation for CIC's contribution of its entire depositary business for collective investment undertakings. This capital increase will be carried out upon fulfillment of the conditions precedent provided for in the contribution agreement.

The Shareholders' Meeting also delegated full authority to the Board of Directors to decide, within a maximum period of 12 months and within a limit of €2,100,000,000, a share capital increase in cash with preferential subscription rights for shareholders. The purpose of this transaction is to refinance the acquisition of the entire share capital of Oldenburgische Landesbank (AG), completed on January 2, 2026.

Using this authorization, the Board of Directors' meeting of May 7, 2026 decided to carry out a capital increase of a maximum amount of €81,636,000 through the issue of 1,632,720 shares with a nominal value of €50 plus an issue premium of €1,228 per share, *i.e.* a price of €1,278 per new share. Shareholders have an irreducible subscription right entitling them to subscribe to 1 new share for every 21 existing shares. The overall transaction, including issue premium, amounted to €2,086,616,160. This capital increase was in progress at June 30, 2026.

BFCM has no unissued authorized capital or exchangeable or redeemable convertible bonds granting access to capital.

Shares of BFCM are not listed or traded on any market.

9

Additional information

9.1 DOCUMENTS AVAILABLE TO THE PUBLIC

During the validity of the universal registration document, the following documents (or copy of these documents) can be viewed:

Digitally on BFCM's website

http://www.bfcm.creditmutuel.fr

- Historical financial information of the BFCM and Crédit Mutuel Alliance Fédérale for each of the two fiscal years preceding the publication of the universal registration document.
- This universal registration document and those of the two previous fiscal years.

The information provided on the website does not form part of the universal registration document.

Regarding physical media

- The issuer's charter and articles of association.
- All reports, letters and other documents, historical financial information, valuations and statements prepared by an expert at the request of the issuer, a part of which is included or referred to in the universal registration document.
- The historical financial information of the subsidiaries of the BFCM for each of the two fiscal years preceding the publication of the universal registration document.

By sending a request by mail to:

Banque Fédérative du Crédit Mutuel
Group General secretariat

4 rue Frédéric-Guillaume Raiffeisen
67913 STRASBOURG Cedex 9

+ 33 (0)3 88 14 88 14

9.2 PERSON RESPONSIBLE FOR THE FINANCIAL INFORMATION

Mr. Alexandre Saada

Deputy Chief Executive Officer of BFCM

Chief Financial Officer (CFO) of Crédit Mutuel Alliance Fédérale

Email: alexandre.saada@creditmutuel.fr

9.3 PERSON RESPONSIBLE FOR THE DOCUMENT

Mr. Claude Koestner,

Chief Executive Officer of Caisse Fédérale de Crédit Mutuel.

Declaration by the person responsible

I hereby declare that, to the best of my knowledge, the information contained in this amendment is accurate and contains no omissions that could adversely affect its scope.

I hereby declare that, to the best of my knowledge, the consolidated interim financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, financial position and results of the company and all subsidiaries included in the scope of consolidation, and that the interim management report (a summary of which is provided on page 235 of this first amendment of the Universal Registration Document) presents an accurate view of the significant events that took place during the first six months of the fiscal year, their impact on the financial statements, the main transactions between related parties and that it describes the main risks and uncertainties for the remaining six months of the fiscal year.

Strasbourg, August 6, 2026

9.4 STATUTORY AUDITORS

Statutory auditors for the scope of the annual and consolidated financial statements BFCM

KPMG SA, member of Compagnie Régionale de Versailles - represented by Arnaud Bourdeille and Maxime Van Den Broek - Tour Eqho 2, avenue Gambetta CS 60055 - 92066 Paris-La Défense Cedex.

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Start date of first term of office: May 11, 2016.

Current term of office: six fiscal years with effect from May 10, 2022.

Renewal: The Shareholders' Meeting of BFCM of May 10, 2022 reappointed PricewaterhouseCoopers France as the principal statutory auditor for a period of six fiscal years, i.e. until the close of the Shareholders' Meeting called to approve the financial statements for the 2027 fiscal year.

Principal statutory auditors on the scope of the consolidated financial statements Crédit Mutuel Alliance Fédérale carried by Caisse Fédérale de Crédit Mutuel

KPMG SA, member of Compagnie Régionale de Versailles - represented by Arnaud Bourdeille and Maxime Van Den Broek - Tour Eqho 2, avenue Gambetta CS 60055 - 92066 Paris-La Défense Cedex.

Start date of first term of office: May 10, 2022.

Current term of office: six fiscal years with effect from May 10, 2022.

Appointment: The Shareholders' Meeting of Caisse Fédérale de Crédit Mutuel held on May 10, 2022 appointed KPMG SA as statutory auditor to replace Ernst & Young et Autres for a period of six fiscal years, i.e. until the close of the Shareholders' Meeting called to approve the financial statements for the 2027 fiscal year.

PricewaterhouseCoopers France, member of the Compagnie Régionale de Versailles - represented by Mr. Jean-Baptiste Deschryver - 63, rue de Villiers 92200 Neuilly-sur-Seine.

Start date of first term of office: May 26, 2016.

Current term of office: six fiscal years with effect from May 10, 2022.

Renewal: The Shareholders' Meeting of Caisse Fédérale du Crédit Mutuel of May 10, 2022 reappointed PricewaterhouseCoopers France as the principal statutory auditor for a period of six fiscal years, i.e. until the close of the Shareholders' Meeting called to approve the financial statements for the 2027 fiscal year.

9.5 CROSS-REFERENCE TABLES

9.5.1 Cross-reference table for the Crédit Mutuel Alliance Fédérale universal registration document

Sections of Appendix 1 of Delegated Regulation (EU) 2019/980: "Registration document for equity securities"		Page no. of the first amendment of the universal registration document filed with AMF on August 6,2026	Page no. of the universal registration document filed with AMF on April 8, 2026
1.	**Persons responsible**	**231-232**	**997-998**
2.	**Statutory auditors**	**232**	**998**
3.	**Risk factors**	**46-54**	**502-512**
4.	**Information about the issuer**	**237**	**994-995**
5.	**Business overview**		
5.1	Main activities	14-35	6-7; 14-15; 22-39
5.2	Main markets	14-34; 88-91	6-7; 22; 52; 761-767 ; 773
5.3	Significant events in business development	7; 32	50-51; 69
5.4	Strategy and objectives	N/A	12-13
5.5	Degree of dependence with respect to patents or licenses, industrial, commercial or financial agreements or new manufacturing processes	N/A	995
5.6	Elements on which the declarations of the issuer concerning its competitive position are based	N/A	22
5.7	Investments	16; 33	41; 53; 72
6	**Organizational structure**		
6.1	Description of the group	6	17-21
6.2	Main subsidiaries	6	17-21
7	**Review of the financial position and of net profit or loss**		
7.1	Financial position	14-35	44-83
7.2	Operating income	14-35	44-83
8	**Cash and equity**		
8.1	Information on the issuer's equity	60; 146	734; 843
8.2	Source and amount of the issuer's cash flows	62; 148	735; 844
8.3	Information on the borrowing conditions and the issuer's financing structure	25	64-66
8.4	Information concerning any restrictions on the use of equity that noticeably influences or may noticeably influence the issuer's transactions	N/A	N/A
8.5	Information on the expected financing sources necessary to honour the commitments set out in point 5.7.2	N/A	N/A
9.	**Regulatory environment**	**10**	**45**
10.	**Information on trends**	**32; 35**	**69; 78**
11.	**Profit forecasts or estimates**	**N/A**	**N/A**
12.	**Administrative, management, supervisory and executive bodies**		
12.1	Information concerning the members of BFCM's administrative and management bodies	37-39; 42-43	439-455 ; 469-486
12.2	Conflicts of interest concerning the administrative, management, supervisory and executive bodies	N/A	457; 487
13	**Compensation and benefits**	**40; 139**	**465-468; 489 ; 697-706 ; 828**
14.	**Operation of the administrative and management bodies**		
14.1	Expiration date of current terms of office	37; 42	441; 471
14.2	Service agreements binding the members of the administrative bodies to the issuer or to one of its subsidiaries	N/A	457; 487
14.3	Information on the Auditing Committee and the Compensation Committee	N/A	460-463

Sections of Appendix 1 of Delegated Regulation (EU) 2019/980: "Registration document for equity securities"		Page no. of the first amendment of the universal registration document filed with AMF on August 6,2026	Page no. of the universal registration document filed with AMF on April 8, 2026
14.4	Declaration indicating whether or not the issuer is in compliance with the legal corporate governance framework in force in its country of origin	N/A	440; 470
14.5	Potentially significant impacts on corporate governance	N/A	456; 486
15.	**Employees**		
15.1	Number of employees	131; 217	820; 936; 982
15.2	Interests in the issuer's share capital and directors' stock-options	N/A	697-706
15.3	Agreement providing for employee ownership of the issuer's shares	N/A	697-706
16.	**Major shareholders**		
16.1	Shareholders holding more than 5% of the share capital or voting rights	N/A	992-993
16.2	Existence of different voting rights of the aforementioned shareholders	N/A	993
16.3	Control of the issuer	N/A	993
16.4	Knowledge by the issuer of an agreement likely to result in a change in control at a later date	N/A	993
17.	**Related-party transactions**	**87; 137; 174; 222**	**759; 826; 871; 942**
18	**Financial information on the issuer's assets and liabilities, financial position and results**	**56-139; 144-224**	**730-829; 839-946; 955-985**
18.1	Historical financial information	56-139; 142-224	730-829; 839-946; 955-985
18.2	Interim and other financial information	56-139; 142-224	N/A
18.3	Verification of the annual historical financial information	140; 225	831; 947; 986
18.4	Pro forma financial information	N/A	N/A
18.5	Dividend distribution policy	N/A	954; 994
18.6	Legal and arbitration proceedings	54	657
18.7	Material change in the financial position	N/A	995
19.	**Additional information**		
19.1	Share capital	229	992
19.2	Charter and articles of association	N/A	994
20.	**Major contracts**	**N/A**	**995**
21.	**Documents available to the public**	**231**	**997**

Sections of Appendix 2 of Delegated Regulation (EU) 2019/980: "Universal registration document"		Page no. of the first amendment of the universal registration document filed with AMF on August 6, 2026	Page no. of the universal registration document filed with AMF on April 8, 2026
1.	**Information to be disclosed about the issuer**		
1.1	Information required pursuant to Appendix 1 of Delegated Regulation (EU) 2019/980	See cross-reference table above	See cross-reference table above
1.2	Issuer's statement	1	1

Pursuant to Article 19 of European Regulation No. 2017/1129 of June 14, 2017, the following items are included by way of reference:

- the consolidated financial statements, management report as well as the statutory auditors' report on the consolidated financial statements as of December 31, 2025, presented respectively for Crédit Mutuel Alliance Fédérale on pages 729 to 830, 44 to 69, 84 to 278, 491 to 728 and 831 to 837 of the Universal Registration Document of Crédit Mutuel Alliance Fédérale/BFCM – 2025 fiscal year (https://investors.bfcm.creditmutuel.fr/static-files/726846f6-a8d3-4585-8425-8078e9dc1bd3), registered with the AMF on April 8, 2026 under number D.26-0233;
- the consolidated financial statements, management report as well as the statutory auditors' report on the consolidated financial statements as of December 31, 2025, the extract of the annual financial statements including the management report for the fiscal year ended December 31, 2025 presented respectively for Banque Fédérative du Crédit Mutuel on pages 838 to 946, 70 to 83, 279 to 436, 491 to 728 and 947 to 953 of the Universal Registration Document of Crédit Mutuel Alliance Fédérale/BFCM – 2025 fiscal year (https://investors.bfcm.creditmutuel.fr/static-files/726846f6-a8d3-4585-8425-8078e9dc1bd3), registered with the AMF on April 8, 2026 under number D.26-0233;
- the consolidated financial statements, management report as well as the statutory auditors' report on the consolidated financial statements as of December 31, 2024, presented respectively for Crédit Mutuel Alliance Fédérale on pages 873 to 969, 45 to 70, 84 to 348, 627 to 872 and 970 to 976 of the Universal Registration Document of Crédit Mutuel Alliance Fédérale/BFCM – 2024 fiscal year (https://investors.bfcm.creditmutuel.fr/static-files/32e5f553-ccbe-4749-8ed7-f02f5ee52e69), registered with the AMF on April 10, 2025 under number D.25-0241;

- the consolidated financial statements, management report as well as the statutory auditors' report on the consolidated financial statements as of December 31, 2024, the extract of the annual financial statements including the management report for the fiscal year ended December 31, 2024 presented respectively for Banque Fédérative du Crédit Mutuel on pages 977 to 1084, 71 to 83, 349 to 571, 627 to 872 and 1085 to 1091 of the Universal Registration Document of Crédit Mutuel Alliance Fédérale/BFCM – 2024 fiscal year (https://investors.bfcm.creditmutuel.fr/static-files/8e7361ee-1174-4ddc-a489-8180648c3b13), registered with the AMF on April 10, 2025 under number D.25-0241;
- the consolidated financial statements, management report as well as the statutory auditors' report on the consolidated financial statements as of December 31, 2023, presented respectively for Crédit Mutuel Alliance Fédérale on pages 631 to 738, 48 to 75, 91 to 308, 369 to 628 and 739 to 746 of the Universal Registration Document of Crédit Mutuel Alliance Fédérale/BFCM – 2023 fiscal year (https://investors.bfcm.creditmutuel.fr/static-files/8e7361ee-1174-4ddc-a489-8180648c3b13), registered with the AMF on April 11, 2024 under number D.24-0276;
- the consolidated financial statements, management report as well as the statutory auditors' report on the consolidated financial statements as of December 31, 2023, the extract of the annual financial statements including the management report for the fiscal year ended December 31, 2023 presented respectively for Banque Fédérative du Crédit Mutuel on pages 749 to 857, 76 to 89, 369 to 628 and 858 to 865 of the Universal Registration Document of Crédit Mutuel Alliance Fédérale/BFCM – 2023 fiscal year (https://investors.bfcm.creditmutuel.fr/static-files/f0537ca9-edab-426b-b587-c9041e9c4566), registered with the AMF on April 11, 2024 under number D.24-0276;

In order to facilitate the reading of this document, the cross-reference table below makes it possible to identify, in this universal registration document, the information that constitutes the annual financial report that BFCM must publish as an issuer of listed securities in accordance with articles L.451-1-2 of the French Monetary and Financial Code and 222-3 of AMF's General Regulations.

9.5.2 Cross-reference table of BFCM's half-year financial report

In order to facilitate the riding of this document, the cross-reference table below makes it possible to identify, in this universal registration document, the information that constitutes the half-year financial report that BFCM must publish as an issuer of listed securities in accordance with articles L.451-1-2 of the French Monetary and Financial Code and 223-3 of AMF's General Regulations.

Interim financial report	Filed on August 6, 2026
1. Interim business report	
Important events that occurred during the first 6 months of the fiscal year and their impact on the interim financial statements	33-35
Description of the main risks and uncertainties for the remaining 6 months of the fiscal year	46-54
Principal transactions that occurred between related parties	222-223
2. Financial statements on June 30, 2026	141-224
3. Declaration by the person responsible	232
4. Statutory auditors' report on the interim financial statements	225

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www.creditmutuelalliancefederale.fr

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Chief Financial Officer of Crédit Mutuel Alliance Fédérale
Deputy Chief Executive Officer of BFCM

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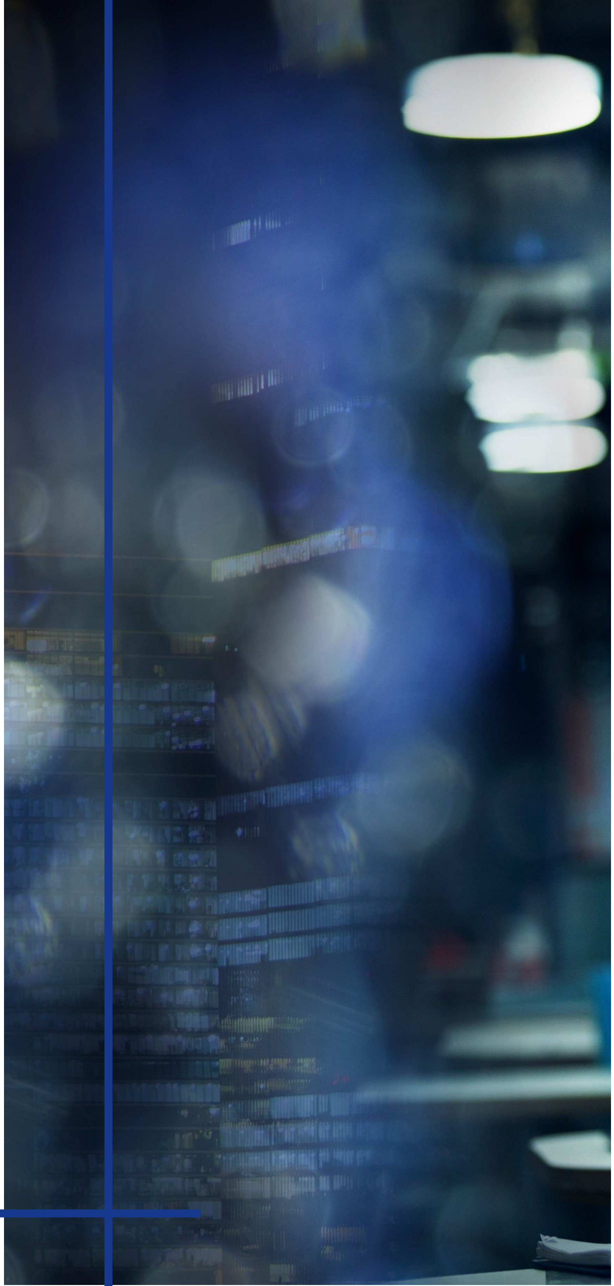

Banque Fédérative du Crédit Mutuel

Société anonyme (French limited company) with share capital of €1,715,115,100

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