


Press release

Confédération Nationale du Crédit Mutuel (CNCM), Crédit Mutuel Arkéa and the 19 federations have signed a memorandum of understanding to preserve the cohesion of Crédit Mutuel and guarantee the autonomy of its members

Wednesday, 3 May 2023 - The Board of Directors of Confédération Nationale du Crédit Mutuel (representing the 19 federations, employees and independent directors) today voted unanimously on a memorandum of understanding (MOU) to maintain a united and plural Crédit Mutuel. This follows the Board of Directors meetings of Crédit Mutuel Arkéa and the Crédit Mutuel de Bretagne and Crédit Mutuel du Sud-Ouest federations on May 2nd, which also voted unanimously in favour of this agreement.

This agreement cements an operating method that preserves the originality and strength of Crédit Mutuel's cooperative and mutual model, based on unity, solidarity and subsidiarity, and respects both the prudential powers of the central body and the autonomy of the federations and regional groups.

Thanks to mutual progress, work has been carried out resulting in a memorandum of understanding the main provisions of which are described below:

- I. **The application of the principles of subsidiarity and autonomy within the Crédit Mutuel group** - The regional groups are free to determine their own strategy and, more broadly, their business plan, in compliance with prudential rules.
- II. **The free competitive development of the respective subsidiaries must be reconciled with respect for the principle of territoriality of the Crédit Mutuel local banks.** In this respect, a guide to good commercial practice has been drawn up.
- III. **Names and the use of the "Crédit Mutuel" brand** - The national brand  has historically been registered by the Confederation, which is responsible for and owns it on behalf of all Crédit Mutuel members. However, the federations, branches and local banks may use separate trademarks incorporating the words "Crédit Mutuel" under their own names.

For example:



**Crédit Mutuel
de Bretagne**



**Crédit Mutuel
du Sud-Ouest**

- IV. **Governance of the Confederation** – These provisions include:
 - The creation of a deputy vice-chairman, a position that will be held by the chairman of the Crédit Mutuel de Bretagne federation, who will also chair the risk committee;
 - A right of veto by the federations in the event of damage to their vital interests (employment, regional decision-making centers, subsidiaries, information systems, purpose, etc.).

The agreement sets out the role of the Confederation in providing a public service. It ensures the smooth running and cohesion of the group in order to guarantee its financial stability, its soundness and the protection of depositors and members. In this capacity, it is the main contact for the

supervisory and resolution authorities that monitor the Crédit Mutuel group on a consolidated basis. It also represents the collective interests of Crédit Mutuel *vis-à-vis* the authorities and the profession, in addition to the individual interests defended by each member.

This agreement will be reflected in the coming weeks in a draft revision of the central body's bylaws, which will be submitted to an extraordinary general meeting and to the Minister of the Economy for approval in accordance with the French Monetary and Financial Code.

In the same timeframe, the draft bylaws will be presented to the local banks at the general meetings of the Crédit Mutuel de Bretagne and Crédit Mutuel du Sud-Ouest federations. It will then be proposed that they put an end to the disaffiliation project.

Beyond the agreement itself, the signatories emphasise the constructive nature of the negotiations and the spirit of trust throughout the process.

About Confédération Nationale du Crédit Mutuel

Confédération Nationale du Crédit Mutuel is the central body of the Crédit Mutuel network, acting as a watchdog, beacon and forum for the entire group and the implementation of its shared values. Its main tasks are to represent, supervise, control and protect the Crédit Mutuel brand, in accordance with the French Monetary and Financial Code. The group's 19 federations belong to it (18 regional federations and one national federation, Crédit Mutuel Agricole et Rural). Its employees provide their expertise to all Crédit Mutuel entities. This framework ensures the optimal development of all of the regional groups, while respecting their autonomy.

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About the Crédit Mutuel Arkéa group

The Crédit Mutuel Arkéa cooperative group is made up of the Crédit Mutuel de Bretagne and Crédit Mutuel du Sud-Ouest federations and their member local mutual banks, as well as some forty specialized subsidiaries (Fortuneo, Monext, Arkéa Banque Entreprises et Institutionnels, Arkéa Investment Services, Suravenir, etc.). It has more than 11,000 employees, 2,600 directors, more than 5.1 million members and customers in banking and insurance and total assets of €189.1 billion. The first banking group to adopt a purpose (Raison d'être) in 2019, Crédit Mutuel Arkéa became a company with a mission in 2022 and is committed through its strategic plan "Transitions 2024" to practicing finance that serves the territories and their stakeholders in order to position itself as the agile and innovative financial partner for the transitions of the future. With a nationwide presence, Crédit Mutuel Arkéa has chosen to maintain its decision-making centers in the regions. It is a major player in job creation in its regions, and relies on a continuous recruitment drive. The Group is convinced that local development can only be achieved by combining financial and non-financial aspects. That's why Crédit Mutuel Arkéa was the first French bank to develop a unique method for calculating overall performance. This allows us to take into account all the financial, social, societal and environmental impacts of our activities and those of our stakeholders. For more information, visit www.cmarkea.com

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For more information on the Crédit Mutuel Group, visit www.creditmutuel.com