FIRST AMENDMENT TO THE 2025 UNIVERSAL REGISTRATION DOCUMENT

INCLUDING THE JUNE 30, 2026 INTERIM FINANCIAL REPORT

CONTENTS

Construisons pour que le monde bouge.

First amendment to the 2025 Universal Registration Document

including the June 30, 2026 interim financial report

A leading bank both in France and abroad, CIC promotes a universal banking model that combines businesses covering all areas of finance and insurance, financial solidity and a long-term growth strategy.

Digital and close to its customers, the company's business model focuses on service quality and listening to their needs.

Flexible tools and adaptable products and services combined with the proximity of the networks allow CIC to offer the responsiveness that customers expect, regardless of their location.

Through its commitment to the economy and society, and with a strong corporate governance system, CIC acts as a responsible bank in a rapidly changing world.

High entrepreneurial standards with operations built around four areas of activity:

RETAIL BANKING,
CORPORATE & INSTITUTIONAL BANKING - CIC Corporate & Institutional Banking,
ASSET MANAGEMENT & PRIVATE BANKING,
PRIVATE EQUITY.

Accounts have not been audited, but are subject to a limited review.

2025 Universal Registration Document filed with the Autorité des marchés financiers on April 8, 2026 under number D.26-0234.

First amendment to the 2025 Universal Registration Document filed with the Autorité des marchés financiers on August 6, 2026 under number D.26-0234-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.

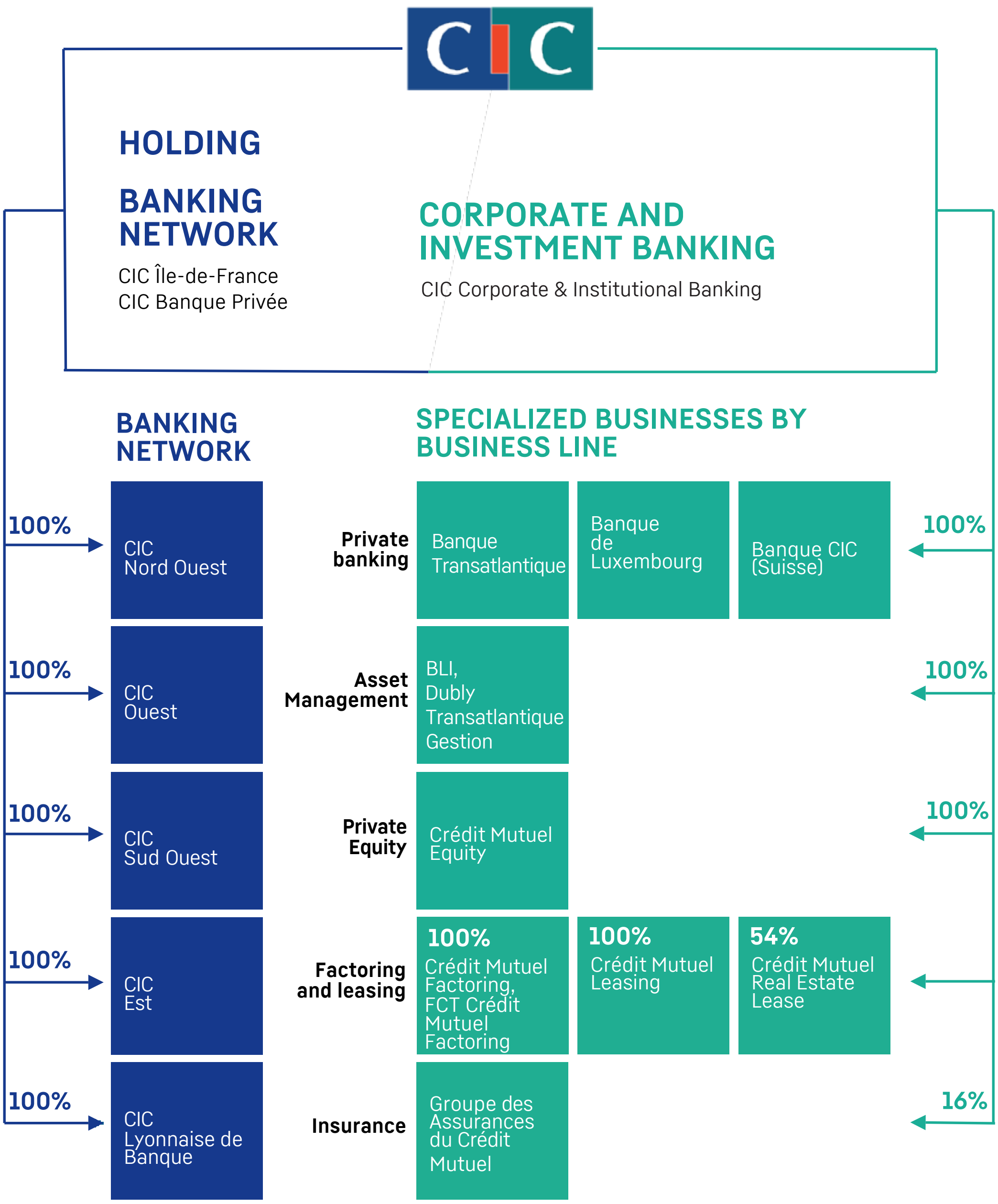
1 Presentation of CIC

1.1 ORGANIZATION OF CIC

CIC consists of:

- CIC (Crédit Industriel et Commercial), the holding and head-of-network bank, which is also a regional bank in Île-de-France, which carries out investment, financing and market activities for all of Crédit Mutuel Alliance Fédérale;
- five regional banks, each which conducts business within a fixed geographic area;
- institutions specialized by business line and shared-service companies in the Crédit Mutuel Alliance Fédérale.

SIMPLIFIED ORGANIZATION CHART AT JUNE 30, 2026



1.2 EVENTS IN THE FIRST HALF OF 2026

January 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 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.

June 2026

Corporate governance changes

The Board of Directors of CIC, chaired by Daniel Baal, appointed Patrice Cauvet as Deputy Chief Executive Officer of CIC. He replaces Claude Koestner, who was promoted to Chief Executive Officer of Caisse Fédérale de Crédit Mutuel, in his previous roles.

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Business 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 CIC 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 CIC 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 this calculation 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.

[1] *Risk-weighted assets.*

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 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 effects of their activities, including in their relationships with their 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 CIC'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 CONSOLIDATED EARNINGS

2.2.1 Analysis of the consolidated balance sheet

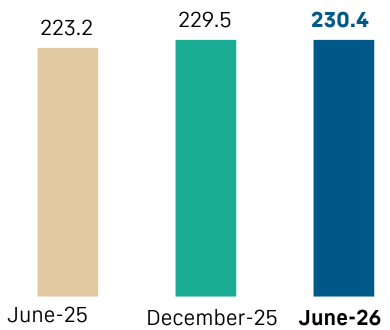
The main changes in the consolidated balance sheet are as follows:

- Outstanding deposits posted a slight increase of +0.4% over six months to €230.4 billion at end-June 2026. Growth was driven by brokered deposits (term accounts and PEPs), which reached €71.6 billion at end-June 2026 (+3.3% in the first half). Meanwhile, other deposit accounts, in particular current accounts (-1.6% to €96.7 billion) and Livret A passbook accounts (-0.7% to €17.1 billion), saw their outstandings shift in favor of financial savings (securities accounts and savings & retirement insurance).
- The momentum in new loan production led to an increase in outstanding loans in the first half to €264.6 billion (+1.1%). Outstanding home loans - which account for 43% of total loans - rose to €114.7 billion. Outstanding consumer finance remained virtually stable at €7.0 billion (-0.4%). Outstanding equipment loans and leasing rose by +2.9% in the first half, in an uncertain environment.
- The “net loans/customer deposits” ratio stands at 114.8% at June 30, 2026 compared to 114.1% at December 31, 2025.
- Total equity and reserves were €23.0 billion compared to €22.5 billion at December 31, 2025.

(outstanding in €bn)	06/30/2026	12/31/2025	Change
Current accounts	96.7	98.3	-1.6%
Livret A passbook accounts	17.1	17.3	-0.7%
Other passbook accounts	25.1	25.4	-1.5%
Mortgage savings agreements	8.2	9.0	-8.3%
Term deposits [1]	71.6	69.3	+3.3%
Other	11.7	10.3	+14.4%
Customer deposits	**230.4**	**229.5**	**+0.4%**

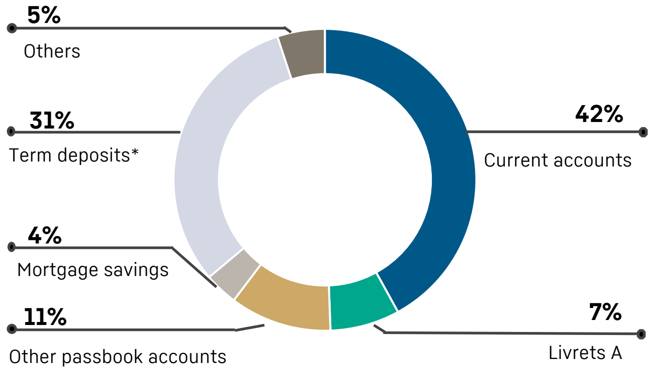
(1) Term deposits and Plan d'Épargne Populaire (PEP).

CUSTOMER DEPOSITS



Outstanding customer deposits in € billion

Structure of deposits at half-year 2026

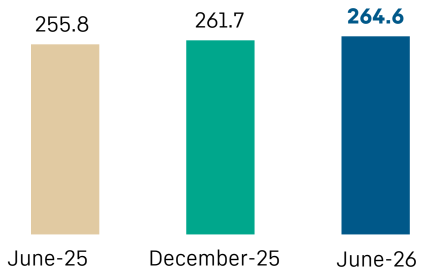


**Term deposits and Plan d'Épargne Populaire (PEP).*

(outstanding in €bn)	06/30/2026	12/31/2025	Change
Home loans	114.7	113.7	+1.0%
Consumer finance	7.0	7.1	-0.4%
Equipment and leasing	103.1	100.2	+2.9%
Operating loans[1]	29.3	29.2	+0.4%
Other	10.4	11.6	-10.5%
Customer loans	**264.6**	**261.7**	**+1.1%**

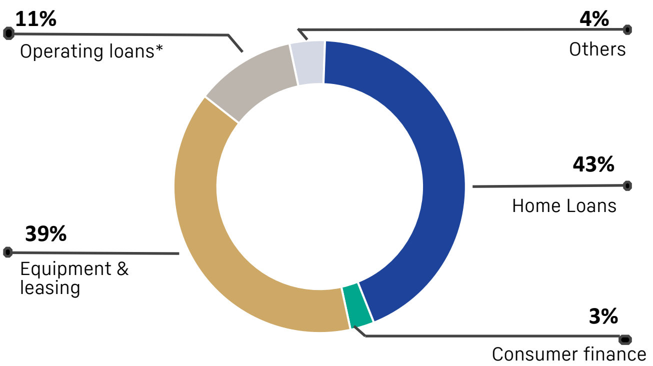
(1) Current accounts in debit and cash loans.

CUSTOMER LOANS



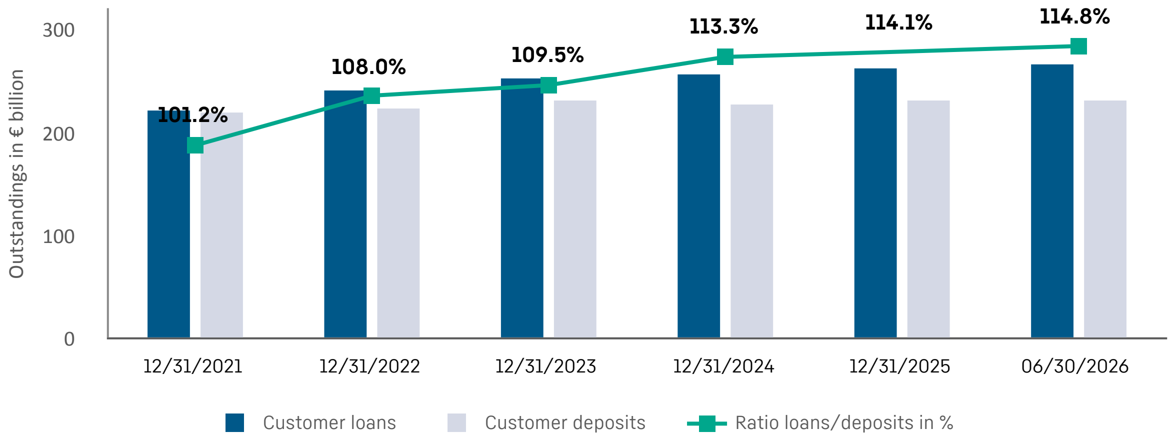
Outstanding customer loans in € billion

Structure of loans at half-year 2026



** Current accounts in debit and cash loans.*

CHANGE IN LOAN-TO-DEPOSIT RATIO



2.2.2 Analysis of the consolidated income statement

(in € millions)	06/30/2026	06/30/2025	Change
Net revenue	**3,579**	**3,393**	**+5.5%**
General operating expenses	-2,071	-1,998	+3.7%
Gross operating income/(loss)	**1,508**	**1,396**	**+8.0%**
Cost of risk	-292	-213	+37.0%
cost of proven risk	-286	-176	+63.2%
cost of non-proven risk	-6	-38	-85.1%
Operating income	**1,216**	**1,182**	**+2.8%**
Net gains and losses on other assets and ECC[1]	79	80	-1.1%
Income before tax	**1,295**	**1,263**	**+2.6%**
Income tax	-350	-312	+12.1%
Net income	**945**	**951**	**-0.6%**
Non-controlling interests	-1	-1	-36.2%
Group net income	**946**	**952**	**-0.6%**

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

Net revenue

In June, 30, 2026 , net revenue amounted to €3,579 million, up +5.5% compared with June, 30, 2025, driven by strong momentum in the banking networks.

Retail banking revenues increased by +11.5%. Net revenue from the banking network (+11.3%) improved in the first half of 2026 benefiting from the net interest margin and to a lesser extent commissions. The net revenue of the business line subsidiaries (leasing and factoring) also increased in the first half of the year (+15.4%).

Net revenue generated by the asset management and private banking business line increased slightly by +1.5% to €435 million in the first half of 2026, driven by growth in commissions in private banking (+10.7%).

The Corporate & Institutional Banking business line (CIC CIB) posted virtually stable revenues (-1.6%) year-on-year.

Net revenue from private equity fell (-19.1%) in a context marked by a deteriorating economic climate and its impact on growth and value creation.

General operating expenses and gross operating income

At end-June 2026, general operating expenses totaled -€2,071 million, an increase of +3.7%. Operating expenses were kept under control (+1.0%) and employee benefits expense (58% of general operating expenses) rose in line with salary increases.

The cost/income ratio reached in the first half of 57.9% compared with 58.9% in first half of 2025.

Gross operating income improved (+8.0%) to €1,508 million.

Cost of risk and operating income

In the first half of 2026, the cost of risk amounted to -€292 million, up by +37.0% from the first half of 2025. It breaks down into a provision of -€286 million for the cost of proven risk (stage 3) and a provision of -€6 million on performing loans (stages 1 and 2).

The cost of proven risk, (-€286 million, +63.2%) was adversely affected by the weakening financial situation of small and medium-sized enterprises (SMEs) and mid-cap companies, particularly for the banking networks.

The cost of customer risk was 20 basis points, stable since end of 2025.

Income before tax

Gain and losses on other assets and the share of income from equity consolidated companies were relatively stable (-1.1%), including the net income contribution from Groupe des Assurances du Crédit Mutuel of €77 million (+1.6%)

Income before tax rose by +2.6% to €1,295 million.

Net profit/(loss)

Income tax amounted to -€350 million in the first half of 2026.

Net income was virtually unchanged -0.6% to €945 million.

Group net income was €946 million (stable).

2.2.3 Rating

CIC's ratings replicate those of Crédit Mutuel Alliance Fédérale - Banque Fédérative du Crédit Mutuel, which owns its capital.

	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 intrinsic rating corresponds to the Stand Alone Credit Profile (SACP) rating from Standard & Poor's, the Adjusted Baseline Credit Assessment (Adj. BCA) rating from Moody's, and the Viability Rating from Fitch Ratings.*

(1) Standard & Poor's: Crédit Mutuel group rating.

(2) Moody's: Crédit Mutuel Alliance Fédérale/BFCM and CIC ratings.

(3) Fitch Ratings: Crédit Mutuel Alliance Fédérale rating (as the predominant entity of the Crédit Mutuel group).

2.2.4 Analysis of results by business line

2.2.4.1 Retail banking

Retail banking - CIC's core business line - comprises all the banking and specialized activities whose products are marketed by the network: life insurance and property & casualty insurance, equipment leasing and rental with purchase option, real estate leasing, factoring, real estate.

The network is organized into five regional divisions- the regional banks - and CIC in the Île-de-France region. The insurance business line - which is accounted for using the equity method - is included in this business segment.

(in € millions)	06/30/2026	06/30/2025	Change
Net revenue	**2,332**	**2,091**	**+11.5%**
General operating expenses	-1,421	-1,388	+2.4%
Gross operating income/(loss)	**911**	**703**	**+29.5%**
Cost of risk	-266	-233	+14.2%
Cost of proven risk	-259	-159	+62.7%
Cost of non-proven risk	-7	-74	-90.2%
Operating income	**645**	**471**	**+37.1%**
Net gains and losses on other assets and ECC[1]	76	74	+3.3%
Income before tax	**721**	**544**	**+32.5%**
Income tax	-196	-164	+19.5%
Net income	**525**	**380**	**+38.1%**
Non-controlling interests	-1	-1	-36.1%
Group net income	**526**	**382**	**+37.9%**

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

In terms of income, CIC's retail banking business recorded an improvement in net revenue of +11.5% to €2,332 million. It was driven by growth in the net interest margin (+19.0%) and to a lesser extent by commissions (+6.1%).

General operating expenses were kept under control, with an increase of +2.4% to -€1,421 million.

The cost/income ratio improved by 5.4 percentage points to 60.9% and gross operating income rose by +29.5% to €911 million.

The cost of risk was estimated at -€266 million, 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 €721 million, with net income up +38.1% to €525 million.

2.2.4.1.1 Banking networks

(in € millions)	06/30/2026	06/30/2025	Change
Net revenue	**2,205**	**1,981**	**+11.3%**
General operating expenses	-1,318	-1,291	+2.1%
Gross operating income/(loss)	**887**	**689**	**+28.7%**
Cost of risk	-261	-223	+17.2%
cost of proven risk	-257	-156	+65.1%
cost of non-proven risk	-4	-67	-93.6%
Operating income	**626**	**466**	**+34.2%**
Net gains and losses on other assets and ECC[1]	-2	-2	-16.6%
Income before tax	**624**	**464**	**+34.4%**
Income tax	-190	-161	+17.9%
Net income	**434**	**303**	**+43.2%**

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

Customer savings rose slightly 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 2025, 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 +11.3% to €2,205 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 €887 million.

The cost of risk was estimated 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 €626 million, with net income up +43.2% to €434 million.

2.2.4.1.2 Support services for Retail Banking

The support services for retail banking comprise the specialized subsidiaries that market their products through their own channels and/or through the local CIC banks or branches: factoring and receivables management, leasing and real estate.

Within the retail banking activity, the supporting business lines generated net revenue of €127million, up +15.4%, net of fees paid to the network.

Net income amounted to €92 million (versus €77 million at June 30, 2025) after taking into account the share of the profit of Groupe des Assurances du Crédit Mutuel of €77 million (equivalent to June 2025).

2.2.4.2 Asset management and private banking

The companies that make up this business line operate in France and internationally through Banque Transatlantique, Banque de Luxembourg, Banque CIC (Suisse).

In the first half of 2026, asset management and private banking accounted for 9% of the net income from CIC's operating business lines.

The table below presents the items making up the profit/(loss) of the asset management and private banking business line for the first half of 2026 and 2025.

(in € millions)	06/30/2026	06/30/2025	Change
Net revenue	**435**	**428**	**+1.5%**
General operating expenses	-302	-289	+4.5%
Gross operating income/(loss)	**132**	**139**	**-4.8%**
Cost of risk	-13	7	n.s
Operating income	**119**	**146**	**-18.5%**
Net gains and losses on other assets and ECC [1]	3	0	n.s
Income before tax	**122**	**146**	**-16.6%**
Income tax expense	-27	-33	-16.5%
Net income	**94**	**113**	**-16.7%**

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

Asset Management and Private Banking reported an overall increase in net revenue of +1.5%, driven in particular by growth in private banking, +2.3% thanks to strong growth in commissions.

General operating expenses rose by +4.5%.

The cost of risk amounted to -€13 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 -16.7% to €94 million in the first half of 2026, compared with €113 million in the first half of 2025.

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

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.

2.2.4.3 CIC Corporate & Institutional Banking

At end-June 2026, corporate banking and capital markets accounted for 8% of the net income of CIC's operating business lines. The table below presents the items making up the profit/(loss) of the corporate banking and capital markets business line for the first half of 2026 and 2025.

(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
Income before tax	**367**	**418**	**-12.1%**
Income tax	-84	-138	-39.2%
Net income	**283**	**280**	**+1.3%**

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

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 €367.1 million at end-June 2026, compared with €417.7 million at end-June 2025 for a stable net income of €283 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.

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

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.

2.2.4.4 Private equity

Private equity combines equity investments, merger and acquisition advising and financial and stock market engineering.

In the first half of 2026, private equity represented 12% of the net income of CIC's operating business lines. The table below presents the items making up the profit/(loss) of the private equity business line for the first half of 2026 and 2025.

(in € millions)	06/30/2026	06/30/2025	Change
Net revenue	**171**	**211**	**-19.1%**
General operating expenses	-47	-47	-1.6%
Gross operating income/(loss)	**124**	**164**	**-24.1%**
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.

2.2.4.5 Structure and holding company

The holding business line includes all specific structural costs/products not assignable to other activities.

(in € millions)	06/30/2026	06/30/2025
Net revenue	**1**	**12**
General operating expenses	-40	-27
Gross operating income/(loss)	**-39**	**-15**
Net gains and losses on other assets and ECC [1]	0	6
Income before tax	**-39**	**-9**
Income tax	-47	17
Net income	**-87**	**8**

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

Net revenue was €1 million, compared with €12 million in the first half of 2025.

General operating expenses fell from -€27 million at the end of June 2025 to -€40 million at the end of June 2026.

Net gains and losses on other assets and ECC were zero in the first half.

Income before tax was -€39 million compared with -€9 million at the end of June 2025.

In June 2026, income tax recorded an expense of -€47 million, with net income of -€87 million.

2.2.5 Alternative performance indicators

2.2.5.1 Definitions of alternative performance indicators

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

2.2.5.2 Alternative performance indicators, reconciliation with financial statements

(in € millions)

Cost/income ratio	06/30/2026	06/30/2025
General operating expenses	-2,071	-1,998
Net revenue	3,579	3,393
Cost/income ratio	**57.9%**	**58.9%**

Loans/deposits	06/30/2026	12/31/2025
Net customer loans	264,589	261,726
Customer deposits	230,428	229,469
Loans/deposits	**114.8%**	**114.1%**

Coverage ratio of non-performing loans	06/30/2026	12/31/2025
Impairment of customers on non-performing loans	-3,326	-3,170
Gross receivables subject to individual impairment (S3)	8,534	8,297
Coverage ratio of non-performing loans	**39.0%**	**38.2%**

Total coverage ratio	06/30/2026	12/31/2025
Provisions for impairment of non-performing (S3) and performing (S1 and S2) loans	-4,380	-4,219
Gross receivables subject to individual impairment (S3)	8,534	8,297
Total coverage ratio	**51.3%**	**50.8%**

Non-performing loan ratio	06/30/2026	12/31/2025
Gross receivables subject to individual impairment (S3)	8,534	8,297
Gross customer loans	268,969	265,945
Non-performing loan ratio	**3.2%**	**3.1%**

Overall cost of customer risk related to outstanding loans	06/30/2026	12/31/2025
Total cost of customer risk	-268	-523
Average gross customer loans	264,391	262,703
Total cost of customer risk in relation to outstanding loans (in bp)	**20**	**20**

Net income/average regulatory assets (ROAA)	06/30/2026	12/31/2025
Net income	945	1,946
Average assets	440,227	427,434
Return on assets (ROAA)	**0.43 %**	**0.46 %**

2.2.6 Recent developments and outlook

Events after the reporting period

Fires: CIC is stepping up its emergency measures to assist its customers[1]

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, CIC is continuing its response efforts in all affected regions by stepping up its emergency response measures, involving its banking networks as well as Assurances du Crédit Mutuel. This support takes the form of concrete financial measures:

- Emergency measures for affected individuals at 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 CIC.

Outlook

The results for the first half of 2026 confirm the strength of CIC’s diversified business model and the effectiveness of its “Togetherness Performance Solidarity” strategic plan.

Eighteen months before its target date, CIC reaffirms the objectives of its 2024–2027 strategic plan, combining human resources and technological expertise.

2.2.7 Methodology notes

None.

[1] *Press release: Fires*

3

Corporate governance

3.1 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	2028
Monique Boughelilba *Vice-Chairwoman*	60	F	2025	2027
Anne Sophie Van Hoove *Permanent representative of Banque Fédérative du Crédit Mutuel, director*	52	F	2025	2029
Saïda Berkouk *Director*	61	F	2024	2027
Isabelle Chevelard *Director*	62	F	2023	2029
Sandrine Crestois-Cognard *Director*	41	F	2025	2028
Michel Kocher *Director*	67	M	2026	2029
Damien Lievens *Director*	55	M	2024	2027
Jean-Louis Maitre *Director*	69	M	2024	2028
René Schwartz *Director*	69	M	2024	2027
Raïssa Hafidhou *Director representing the employees*	34	F	2023	2028
Marlène Vercruysse *Director representing the employees*	45	F	2025	2028

[1] *Age at June 30, 2026.*

As of June 30, 2026, the Board of Directors had 12 non-executive members, including two directors representing employees.

At the annual Combined Shareholders' Meeting, Michel Kocher was appointed as a director, replacing Albert Mayer.

Other participants

- In accordance with Article L.2312-72 of the French Labor Code, a representative of the social and economic committee attends meetings of the Board of Directors in an advisory capacity.

Composition of the Executive Management

The Executive Management of Crédit Industriel et Commercial comprises three key executives holding an executive office:

- Éric Charpentier, Chief Executive Officer - effective manager;
- Claude Koestner, Chief Operating Officer - effective manager;
- Didier Brassard, Deputy Chief Executive Officer.

On June 24, 2026, the Board of Directors duly noted the expiration of Claude Koestner's term as Chief Operating Officer and effective manager, effective July 29, 2026.

The Board of Directors duly noted the appointment of Patrice Cauvet as Deputy Chief Executive Officer of CIC and appointed him as an effective manager, effective July 29, 2026.

3.2 POSITIONS AND FUNCTIONS HELD BY THE MEMBERS OF THE MANAGEMENT BODIES

3.2.1 Board of Directors

Directors whose terms of office began in the first half of 2026

Michel Kocher

Born on April 19, 1959
Nationality: French

Business address:
4 rue Frédéric-Guillaume Raiffeisen
67000 Strasbourg

Summary of main areas of expertise and experience

Michel Kocher, who holds a higher technical diploma (DUT) in computer science, served as mayor of the municipality of Matzenheim from 2001 to 2020. He also served as president of the Benfeld community of municipalities from 2008 to 2014 and was vice president of the Erstein canton community of municipalities. He is Chairman of Caisse de Crédit Mutuel Plaine de l'Ill, director of Fédération du Crédit Mutuel Centre Est Europe, and Chairman of the Strasbourg-Campagne district.

Director
Start of term of office: 2026
End of term of office: 2029

Other mandates and functions as at June 30, 2026

Chairman of the Board of Directors
Caisse de Crédit Mutuel Plaine de l'Ill
Director and Chairman of the Strasbourg-Campagne district
Fédération du Crédit Mutuel Centre Est Europe
Manager
Alsace Fair Play Services
Alsace Services Pour Tous
Yakapro SARL
MCI
VMI

Terms of office expired over the past five fiscal years

Censor
Banque Fédérative du Crédit Mutuel
Permanent representative of Fédération du Crédit Mutuel Centre Est Europe, director
Assurances du Crédit Mutuel IARD SA

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Risk and capital adequacy - Pillar 3 at June 30, 2026

4.1 Key indicators (EU KM1)

Pending the update of all the required interim tables, please refer to the 2025 Universal Registration Document.

4.2 RISK FACTORS (EU OVA)

This section describes the principal risks to which CIC (hereinafter "the group") is exposed.

CIC is exposed to multiple risks associated with Retail Banking, Insurance, Corporate Banking, Capital Markets, Asset Management, 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.

The main factors that can significantly influence the group's risks are mentioned below, with major risks being addressed first within each category.

4.2.1 Credit risks related to the group's banking activities

CIC's primary risk is credit risk, because of its business model. Gross exposures (on-balance sheet, off-balance sheet, derivatives and repurchase agreements) to credit risk amounted to €504 billion at December 31, 2025[1].

Details of exposures by type of counterparty are available in Pillar 3 of the 2025 universal registration document, tables 29 "Performing and non-performing exposures and related provisions – EU CR1" and 25 "Credit quality of loans and advances to non-financial corporations by industry – EU CQ5".

Given its business model, the nature of its exposures and their concentration in France (82% of total exposures at December 31, 2025), the group is particularly exposed to the degradation of the national economic situation, in particular that of companies (increase in defaults) and the real estate market (fall in prices) in a context of uncertainties related to the French and international political context (protectionist threats, continuation of the war in Ukraine). This unfavorable situation could adversely impact CIC's profitability and solvency:

a. The increase or maintenance at a high level of business failures could lead to **significant financial losses due to the inability of counterparties to meet their contractual obligations** (risk of default). This risk of default would immediately take the form of more non-performing loans (NPL, an indicator of default risk) and a major point of concern to European regulators and supervisors. It would also be reflected in a higher cost of risk due to the provisioning of those non-performing loans. It concerns the financing activities which appear on CIC's balance sheet or guarantee activities which appear off balance sheet as well as other activities exposing the group to a risk of counterparty default, notably its activities related to the trading and settlement/delivery of financial instruments on the Capital Markets, and to insurance. While the counterparties concerned may be banks, financial institutions, industrial or commercial companies, governments, investment funds or natural persons, the weight of gross corporate exposures in total credit risk exposures (€175 billion i.e. 35% at December 31, 2025) makes CIC particularly vulnerable to a deterioration in economic conditions, especially as a result of rising interest rates affecting corporate customers who mainly borrow at variable rates. As of June 30, 2026, CIC's NPL ratio for all customer segments (NPL/gross customer loans) was 3.2% compared with 3.1% at end-2025, and the cost of customer risk was €268 million compared with €523 million at December 31, 2025. In relation to gross outstanding loans, the cost of customer risk was 0.2% as at December 31, 2025. CIC had a stock of provisions for non-proven risks (provisions for performing loans – stage 1 and stage 2) of €1 billion as of June 30, 2026, as at December 31, 2025.

b. **In connection with the fall in the real estate market, a massive degradation in real estate prices could affect collection rates.** Due to the size of its residential home loan portfolio representing nearly 44% of net customer loans, i.e., €114 billion as of December 31, 2025, mainly in France, the group is exposed to a fall in prices, in particular on properties with the lowest energy ratings (DPE) or those subject to climatic risks (floods, droughts, etc.). In this scenario, the impact would be an increase in defaults but also, in the case of financing guaranteed by mortgages, the fall in the value of the homes pledged as collateral could reduce recovery rates. As of December 31, 2025, the cost of home loan risk in relation to gross loans in the balance sheet was 0.03%.

c. **The default of one or more of the group's largest customers also could degrade its profitability.** CIC has relatively significant unitary exposures to certain States, banking counterparties or major groups, mainly French. Among States and similar entities, i.e., €82.6 billion of gross exposure as of December 31, 2025, the group is principally exposed to France for €59 billion, mainly to the Banque de France (€37 billion), which is a member of the Eurosystem, and to the Caisse des dépôts et consignations (€16 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, represented €2.4 billion on banks for 3 counterparties and €33.4 billion on companies for 49 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. Given the extensive use of internal credit risk rating methods, **the calculation of risk-weighted assets in the denominator of the solvency ratio could deteriorate in line with that of the quality of its portfolio.** Under the standardized method, the change in credit quality has little impact on the calculation of weighted risks and therefore on the solvency ratio. But if the credit portfolios have been authorized by the supervisor to use internal models (IRB) to calculate weighted risks, any deterioration of the affected portfolios would deteriorate the denominator of the solvency ratio. Within CIC, 73% of the total exposures to credit risk are assigned an internal rating[2], the quality of which affects

[1] *Pending the update of credit risk data as of June 30, 2026, refer to those published in the 2025 Universal Registration Document.*
[2] *According to the level of estimated risk associated with a counterparty, an internal rating is assigned to it, which will influence the capital requirements for credit risk.*

the calculation of the credit risk-related capital requirements under Basel III, and therefore the group's solvency ratio. Lower ratings on all or part of the portfolio would consequently result in lower solvency of the group in terms of risk of changed ratings. A recession could increase this credit risk, also given the increased indebtedness of economic agents and the decline in their financial income.

A further rise in, or shortage of, commodities (as seen following the war between Russia and Ukraine) could worsen conditions in particularly vulnerable sectors (chemicals, steel, transportation, motor, agri-food, etc.) where the group is exposed.

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

Financial risks related to the macroeconomic and market environments are defined as risks related to the changes in market conditions and in particular those affecting income, price levels and the macroeconomic environment such as the existing or anticipated economic environment.

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 materialize at any time and responds to internal or external risk factors, which requires appropriate and differentiated management. The main risk factors associated with liquidity risk are:

a. A sudden and massive outflow of liquidity

CIC 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.). To hedge against this risk, CIC is part of a centralized liquidity management process and can draw on the liquidity reserve of Crédit Mutuel Alliance Fédérale. This reserve amounted to €143.3 billion as of June 30, 2026. It is 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. CIC's short-term risk is managed using the LCR ratio, which averaged nearly 140% during the first six months of 2026, which represents a surplus of more than €14 billion over the minimum regulatory requirements.

b. An unbalanced change in the commercial gap

As a universal bank, CIC is active in both the loan and savings markets. With a loan-to-deposit ratio of more than 100%, CIC is structurally a borrower and relies on the group's refinancing to balance its balance sheet. A rise in the ratio, and therefore in the commercial gap (the gap between loans and deposits), may increase its exposure to liquidity risk. As of June 30, 2026, it stood at 114.8%.

Rigorous monitoring of the loan-to-deposit ratio, in line with CIC's risk appetite, helps manage exposure to liquidity risk. Corrective action is taken on a regular basis to ensure compliance. 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. CIC, whose funding is mainly based on corporate deposits, which are more sensitive to interest rate fluctuations than retail deposits, is more directly and rapidly affected by interest rate movements on its balance sheet structure.

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, or expectations of changes, in market rates are accompanied by close monitoring of outstandings.

d. More difficult access to market refinancing

CIC uses short-term and medium-term issuance programs with a structured EMTN program. The resources raised are included in the centralized refinancing management and market refinancing is mainly carried by BFCM.

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

However, despite tensions arising from the trade war initiated by the US president, concerns about France's fiscal policy, and the uncertain geopolitical situation, BFCM and CIC were able to consolidate their investor base in 2025, completing their entire refinancing program.

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 CIC and BFCM to proceed with their 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, the 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 maturity matching between liabilities and assets to be refinanced 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, CIC's NSFR stood at 108.0% with a stable surplus of resources of €19.8 billion.

f. A significant deterioration in the ratings of BFCM and Crédit Mutuel Alliance Fédérale entities

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. These ratings also benefit CIC issues.

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.

BFCM's rating was not downgraded, despite France's rating being downgraded due to the prospect of a deterioration in the fiscal situation and political uncertainty. The impact on the group's ability to obtain refinancing was therefore limited.

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) in 2024, 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

CIC'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 (EVE) sensitivity of CIC's balance sheet, determined according to six regulatory scenarios, is below the 15% threshold for Common Equity (Tier 1) capital. The worst-case scenario (a 200 bp rise in the yield curve) shows a sensitivity of -11.89% of Tier 1 capital at December 31, 2025. 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). Given the direction of swaps in CIC's portfolio, the group is naturally exposed to falling interest rates in the MNI stress tests. The -200 bp SOT MNI indicates a sensitivity of -2.49% 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 stabilizes in 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, there is also the risk of an asymmetric pass-through of monetary policy to customer rates. 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, which can negatively impact loan production. 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. On the other hand, usury rates remained unchanged for several months before being gradually readjusted, which significantly worsened banks' commercial margins. Deposit rates are also subject to several constraints. In an environment of negative interest rates, as has been the case for several years, customer deposits in France are protected by an implicit floor of 0%, which prevents monetary policy from being fully transmitted. 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 the CIC CIB, the asset-liability management activity and the asset management business of the group's management companies.

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.

CIC'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 CIC 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's market operations 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 CIC's Capital Markets division is exposed is low. The total capital allocated to CIC Capital Markets amounted to €755 million, representing 3.2% of CIC's total regulatory capital (€23.7 billion as of December 31, 2025).

   As of June 30, 2026, €628.7 million of this allocation had been used.

   During the first half of 2026, the historical VaR (one-day, 99%) of the trading book averaged €3.5 million for the group. The low level of VaR reflects the decrease in earnings volatility in the historical analysis.

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. As CIC is part of Crédit Mutuel Alliance Fédérale, it contributes to the objectives defined in the strategic plan. 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 methods, the various and increasing regulatory constraints that apply to products and services, the reputation of the brand, the financial strength of the group 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 CIC operates has an impact on its business and on the strategic decisions of Crédit Mutuel Alliance Fédérale, of which CIC is a part. This regulatory environment is described in the dedicated section, paragraph 2.1.2 Regulatory environment of chapter 2.

4.2.3.2 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. Malicious acts, which pose a significant risk to the group, notably involving means of payment. As of June 30, 2026, the impact of malicious acts (fraud, theft, etc.) was €9.3 million, accounting for 34.3% of total claims.
b. The risk related to human error, which as of June 30, 2026 accounted for a gross loss of €4.6 million, or 17.2% of total claims.
c. Legal risks, which as of June 30, 2026 accounted for a total loss of €10.3 million, or 38.2% of total claims.

The proven loss experience as of June 30, 2026 amounted to €27 million and represented 0.75% of net revenue in the first half of 2026.

4.2.3.3 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 unavailabilities above may lead to a partial or total suspension shutdown of CIC'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 CIC would be detrimental to its financial position. Such circumstances would 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.

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

4.2.3.4 ESG 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 CIC 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. CIC'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;
- 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. CIC'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 CIC 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, the group 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, the group'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. The group 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 the group'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, CIC examines other environmental risks, including nature-related risks. CIC focuses on risks related to biodiversity and ecosystems, water and marine resources, and pollution. All of these risks, which could affect the financial performance, are divided into two categories as described in section 5.18.1, "Definition of ESG Risks," in Crédit Mutuel Alliance Fédérale's universal registration document.

a. CIC'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 CIC'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, CIC'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

CIC also analyzes how social and governance risks can affect its financial performance. For this reason, since 2024 CIC 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, CIC assesses the materiality of social and governance risks (both direct and indirect) on its risk profile.

a. CIC's business model could be affected 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, CIC'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

Legal or arbitration proceedings

CIC 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 agreements 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 position.

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 CIC and its consolidated subsidiaries taken together, their profitability or activity have been included in CIC's consolidated financial statements through the provisions presented in note 19a of chapter 5 of this document.

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 by 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 CIC, nevertheless the outcome of legal or administrative proceedings is inherently uncertain.

5

Consolidated financial statements

5.1 FINANCIAL STATEMENTS

5.1.1 Balance sheet (assets)

(in € millions)	Notes	06/30/2026	12/31/2025
Cash and central banks	4	45,496	45,559
Financial assets at fair value through profit or loss	5a	45,938	34,832
Hedging derivatives	6a	780	838
Financial assets at fair value through equity	7a	28,678	24,413
Securities at amortized cost	8a	5,780	5,462
Loans and receivables due from credit institutions and similar at amortized cost	8b	53,196	49,542
Loans and receivables due from customers at amortized cost	8c	264,589	261,726
Revaluation adjustment on rate-hedged books	6b	-390	-329
Current tax assets	10a	558	721
Deferred tax assets	10b	424	432
Accruals and miscellaneous assets	11	6,033	6,106
Non-current assets held for sale		0	0
Investments in equity consolidated companies	12	1,631	1,601
Investment property	13	49	46
Property, plant and equipment	14a	1,700	1,731
Intangible assets	14b	88	127
Goodwill	15	33	33
TOTAL ASSETS		**454,583**	**432,840**

5.1.2 Balance sheet (liabilities)

(in € millions)	Notes	06/30/2026	12/31/2025
Central banks	17a	9	12
Financial liabilities at fair value through profit or loss	16	33,494	21,412
Hedging derivatives	6a	608	706
Due to credit and similar institutions at amortized cost	17a	105,037	99,020
Due to customers at amortized cost	17b	229,999	229,469
Debt securities at amortized cost	17c	48,911	44,566
Revaluation adjustment on rate-hedged books	6b	-16	-17
Current tax liabilities	10a	393	315
Deferred tax liabilities	10b	376	374
Accruals and miscellaneous liabilities	18	6,466	8,002
Debt related to non-current assets held for sale		0	0
Provisions	19a	1,595	1,541
Subordinated debt at amortized cost	20	4,751	4,989
Total shareholders' equity		**22,960**	**22,451**
Shareholders' equity – Attributable to the group		**22,942**	**22,432**
Capital		612	612
Issue premiums		1,172	1,172
Consolidated reserves		20,080	18,677
Gains and losses recognized directly in equity	21a	132	24
Profit (loss) for the period		946	1,947
Shareholders' equity – Non-controlling interests		**18**	**19**
TOTAL LIABILITIES		**454,583**	**432,840**

5.1.3 Income statement

(in € millions)	Notes	06/30/2026	06/30/2025
Interest and similar income	23	7,079	7,833
Interest and similar expenses	23	-5,384	-6,255
Commissions (income)	24	1,785	1,719
Commissions (expenses)	24	-427	-420
Net gains on financial instruments at fair value through profit or loss	25	519	505
Net gains or losses on financial assets at fair value through shareholders' equity	26	13	10
Net gains or losses resulting from derecognition of financial assets at amortized cost	27	0	2
Income from other activities	28	61	52
Expenses on other activities	28	-67	-53
Net revenue		**3,579**	**3,393**
General operating expenses	29a/29c	-1,926	-1,887
Movements in depreciation, amortization and provisions for property, plant and equipment and intangible assets	29d	-145	-110
Gross operating income		**1,508**	**1,396**
Cost of counterparty risk	30	-292	-213
Operating income		**1,216**	**1,183**
Share of net income of equity consolidated companies	12	77	76
Net gains and losses on other assets	31	2	4
Income before tax		**1,295**	**1,263**
Income taxes	32	-350	-312
Net income		**945**	**951**
Net income – Non-controlling interests		-1	-1
NET INCOME ATTRIBUTABLE TO THE GROUP		**946**	**952**
Earnings per share (in €)	33	24.89	25.05
Diluted earnings per share (in €)	33	24.89	25.05

5.1.4 Statement of net income and profits and losses recognized in shareholders' equity

(in € millions)	06/30/2026	06/30/2025
Net income	**945**	**951**
Translation adjustments	61	-205
Revaluation of financial assets at fair value through equity – capital instruments	4	66
Revaluation of hedging derivatives	0	0
Share of unrealized or deferred gains and losses of associates	-5	13
Total recyclable gains and losses recognized directly in equity	**60**	**-126**
Revaluation of financial assets at fair value through equity – equity instruments	-9	36
Actuarial gains and losses on defined benefit plans	44	-10
Share of non-recyclable gains and losses of equity consolidated companies	13	-2
Total non-recyclable gains and losses recognized directly in equity	**48**	**24**
Net income and gains and losses recognized directly in equity	**1,053**	**849**
o/w attributable to the group	1,054	850
o/w percentage of non-controlling interests	-1	-1

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

5.1.5 Changes in shareholders' equity

	Shareholders' equity, attributable to the group											
					Gains and losses recognized directly in equity							
(in € millions)	Capital	Premiums	Elimination of treasury shares	Reserves[1]	Translation adjustments	Assets at FVOCI[2]	Instr. for hedging	Actuarial gains and losses	Net profit/ (losses)	Total	Non-controlling interests	Total consolidated shareholders' equity
BALANCE AT 01/01/2025	**612**	**1,172**	**-56**	**17,544**	**242**	**-140**	**–**	**-33**	**1,727**	**21,068**	**20**	**21,088**
Appropriation of earnings from previous year	–	–	–	1,727	–	–	–	–	-1,727	–	–	–
Distribution of dividends	–	–	–	-515	–	–	–	–	–	-515	–	-515
Acquisition of additional shareholdings or partial disposals	–	–	–	–	–	–	–	–	–	–	–	–
Subtotal of movements related to relations with shareholders	**–**	**–**	**–**	**1,212**	**–**	**–**	**–**	**–**	**-1,727**	**-515**	**–**	**-515**
Consolidated income for the period	–	–	–	–	–	–	–	–	952	952	-1	951
Changes in gains and (losses) recognized directly in equity	–	–	–	–	-205	113	–	-10	–	-102	–	-102
Subtotal	**–**	**–**	**–**	**–**	**-205**	**113**	**–**	**-10**	**952**	**850**	**-1**	**849**
Impact of acquisitions and disposals on non-controlling interests	–	–	–	–	–	–	–	–	–	–	–	–
Other changes	–	–	–	-3	–	–	–	–	–	-3	–	-3
BALANCE AT 06/30/2025	**612**	**1,172**	**-56**	**18,753**	**37**	**-27**	**–**	**-43**	**952**	**21,400**	**19**	**21,419**
BALANCE AT 07/01/2025	612	1,172	-56	17,545	178	-103	–	-36	841	20,153	23	20,176
Appropriation of earnings from previous year												
Distribution of dividends	–	–	–	–	–	–	–	–	–	–	–	–
Acquisition of additional shareholdings or partial disposals	–	–	–	–	–	–	–	–	–	–	–	–
Subtotal of movements related to relations with shareholders	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Consolidated income for the period	–	–	–	–	–	–	–	–	886	886	-3	883
Changes in gains and (losses) recognized directly in equity	–	–	–	10	65	-37	–	3	–	41	–	41
Subtotal	**–**	**–**	**–**	**10**	**65**	**-37**	**–**	**3**	**886**	**927**	**-3**	**924**
Impact of acquisitions and disposals on non-controlling interests	–	–	–	–	–	–	–	–	–	–	–	–
Other changes	–	–	–	-11	-1	–	–	–	–	-12	–	-12
BALANCE AT 12/31/2025	**612**	**1,172**	**-56**	**18,733**	**28**	**17**	**–**	**-21**	**1,947**	**22,432**	**19**	**22,451**

	Shareholders' equity, attributable to the group											
					Gains and losses recognized directly in equity							
(in € millions)	Capital	Premiums	Elimination of treasury shares	Reserves[1]	Translation adjustments	Assets at FVOCI[2]	Instr. for hedging	Actuarial gains and losses	Net profit/ (losses)	Total	Non-controlling interests	Total consolidated shareholders' equity
BALANCE AT 01/01/2026	**612**	**1,172**	**-56**	**18,733**	**28**	**17**	**–**	**-21**	**1,947**	**22,432**	**19**	**22,451**
Appropriation of earnings from previous year	–	–	–	1,947	–	–	–	–	-1,947	–	–	–
Distribution of dividends	–	–	–	-547	–	–	–	–	–	-547	–	-547
Acquisition of additional shareholdings or partial disposals	–	–	–	–	–	–	–	–	–	–	–	–
Subtotal of movements related to relations with shareholders	**–**	**–**	**–**	**1,400**	**–**	**–**	**–**	**–**	**-1,947**	**-547**	**–**	**-547**
Consolidated income for the period	–	–	–	–	–	–	–	–	946	946	-1	945
Changes in gains and (losses) recognized directly in equity	–	–	–	–	61	3	–	44	–	108	–	108
Subtotal	**–**	**–**	**–**	**–**	**61**	**3**	**–**	**44**	**946**	**1,054**	**-1**	**1,053**
Impact of acquisitions and disposals on non-controlling interests	–	–	–	–	–	–	–	–	–	–	–	–
Other changes	–	–	–	2	–	–	–	–	–	2	–	2
BALANCE AT 06/30/2026	**612**	**1,172**	**-56**	**20,135**	**89**	**20**	**–**	**23**	**946**	**22,941**	**18**	**22,959**

(1) *Total reserves amounted to €20,135 million and comprise, as of June 30, 2026, the legal reserve for €61 million, the special reserve for long-term capital gains for €287 million, retained earnings for €29 million, CIC's other reserves for €10,360 million and consolidated reserves for €9,398 million.*
(2) *FVOCI: Fair value through other comprehensive income.*

As at June 30, 2026, CIC had a share capital of 38,241,129 shares with a nominal value of €16, of which 231,711 treasury shares.

5.1.6 Net cash flow statement

(in € millions)	half-year 2026	half-year 2025
Net income	945	951
Taxes	350	312
Income before tax	**1,295**	**1,263**
+/- Net depreciation and amortization of property, plant and equipment and intangible assets	108	108
- Impairment of goodwill and other fixed assets	36	2
+/- Net provisions and impairments	108	43
+/- Share of income from companies consolidated using the equity method	-77	-76
+/- Net loss/gain from investing activities	2	2
+/- (Income)/expenses from financing activities	-	-
+/- Other movements	611	2,853
Total non-monetary items included in net income before tax and other adjustments	**788**	**2,932**
+/- Flows related to transactions with credit institutions	-1,835	5,330
+/- Flows related to client transactions	-2,742	-3,573
+/- Flows related to other transactions affecting financial assets or liabilities	-1,969	-3,107
+/- Flows related to other transactions affecting non-financial assets or liabilities	-611	-2,202
+Dividends received from equity consolidated companies	55	53
- Taxes paid	-47	-199
Net decrease/(increase) in assets and liabilities from operating activities	**-7,149**	**-3,698**
TOTAL NET CASH FLOW GENERATED BY OPERATING ACTIVITIES (A)	**-5,066**	**497**
+/- Flows related to financial assets and investments	-210	47
+/- Flows related to investment property	-4	-18
+/- Flows related to property, plant and equipment and intangible assets	-73	-66
TOTAL NET CASH FLOW RELATED TO INVESTING ACTIVITIES (B)	**-287**	**-37**
+/- Cash flow to or from shareholders	-547	-497
+/- Other net cash flows from financing activities	2,641	-361
TOTAL NET CASH FLOW RELATED TO FINANCING TRANSACTIONS (C)	**2,094**	**-858**
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS (D)	**117**	**-152**
Net increase/(decrease) in cash and cash equivalents (A + B + C + D)	**-3,142**	**-550**
Net cash flow generated from operating activities (A)	-5,066	497
Net cash flow generated to investing activities (B)	-287	-37
Net cash flow related to financing transactions (C)	2,094	-858
Effect of foreign exchange rate changes on cash and cash equivalents (D)	117	-152
Cash and cash equivalents at opening	**51,054**	**44,576**
Cash, central banks (assets and liabilities)	45,545	40,900
Accounts (assets and liabilities) and demand loans/borrowings from credit institutions	5,509	3,676
Cash and cash equivalents at closing	**47,912**	**44,026**
Cash, central banks (assets and liabilities)	45,485	43,031
Accounts (assets and liabilities) and demand loans/borrowings from credit institutions	2,427	995
CHANGE IN NET CASH POSITION	**-3,142**	**-550**

5.2 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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). 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.

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 CIC 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), CIC 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 would 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[1] "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 integration 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 €1,280 million, varying by -€14 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 €51 million and €82 million respectively (compared to €86 million and €66 million as of December 31, 2025).

The adjustments recognized at June 30, 2026, represent 10.4% of the total amount of expected credit losses, *i.e.* on stage 1 and 2 outstandings (compared to 11.7% 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 10.1%, *i.e.* €129 million;
- optimistic scenario would lead, on the contrary, to a decrease in expected credit losses of 5.0%, *i.e.* €65 million;
- central scenario would lead to a reduction in expected credit losses of 3.0%, *i.e.* €38 million.

Risk management information

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

1 Consolidation scope

Principles of inclusion in the 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 28R.

A wholly-owned subsidiary is included in the scope of consolidation when its full consolidation, considered individually, has an impact of at least 1% on the major items of the consolidated balance sheet and income statement. In addition, all subsidiaries excluded from the scope of consolidation must account for less than 5% of the main items on the consolidated balance sheet and income statement. However, smaller companies may be included when the group considers them to be a strategic investment, when they operate in one of the group's core businesses, or when they hold securities of consolidated entities.

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 subject to 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. Equity interests held by private equity firms over which joint control or significant influence is exercised are excluded from the scope of consolidation and are recognized at fair value through profit or loss.

2 Consolidation methods and principles

2.1 Consolidation methods

The consolidation methods used are the following:

2.1.1 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 controlled entities, including those with different accounting structures, regardless of whether their operations are an extension of those of the "consolidating" entity.

2.1.2 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.

2.2 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.

2.3 Reporting date

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

2.4 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.

2.5 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.

2.6 Goodwill

2.6.1 Fair value adjustments

At the date of acquisition of a controlling interest in a new entity, said entity's assets, liabilities and contingent operating liabilities are measured at their fair value. Fair value adjustments corresponding to the difference between the carrying amount and fair value are recognized.

2.6.2 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, and which it continues to control, 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.

3 Accounting policies and principles

3.1 Financial instruments under IFRS 9

3.1.1 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.

3.1.1.1 Loans, receivables and debt securities acquired

The asset is classified:

- 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 (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).

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

Since the group does not sell its loans, 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 3.1.7 “Derecognition of financial assets and liabilities” and 3.1.8 “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 3.1.7 “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.

3.1.1.2 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 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 3.1.7 “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.

3.1.2 Classification and measurement of financial liabilities

Financial liabilities are classified in one of the following two categories:

3.1.2.1 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.

3.1.2.2 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.

3.1.3 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.

3.1.4 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.

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".

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) on portfolio 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.

3.1.5 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.

The 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.

3.1.5.1 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.

3.1.5.2 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.

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 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.

Benchmark rate reform

Within the framework of the IBOR reform, the group is easing its hedge accounting policies for changes related to the IBOR reform:

- before defining the substitution indices:
  - maintaining existing hedging relationships during this exceptional and temporary situation and until the uncertainty created by the reform of IBOR rates is resolved concerning the choice of a new index and the effective date of this change;
- after defining the substitution indices, in particular:
  - updating the description of the hedged risk and the documentation, without impacting the continuity of the hedging relationships,
  - a temporary exception to the “separately identifiable” nature of a non-contractually specified hedged risk component. Such a risk component indexed to a replacement rate will be considered separately identifiable if it is reasonable for it to become identifiable within a period of 24 months after designation, in the context of the development of the replacement index markets.

3.1.6 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.

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.

3.1.7 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 (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.

3.1.8 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.

3.1.8.1 Governance

As a subsidiary of the Crédit Mutuel Alliance Fédérale group, CIC has the same organizational structure as the Crédit Mutuel's other regional groups.

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.

3.1.8.2 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.

3.1.8.3 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.

3.1.8.4 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 group applies the new definition of prudential default in accordance with EBA guidelines and regulatory technical standards on applicable materiality thresholds.

The main developments related to the implementation of this new definition are the following:

- 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.

The group 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.

3.1.8.5 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.

3.1.8.6 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 3.1.6 “Financial guarantees and financing commitments” and section 3.2.2 “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.

3.1.9 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.

3.1.9.1 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.

3.1.9.2 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.

3.1.9.3 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.

3.2 Non-financial instruments

3.2.1 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 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 is any lease contract other than a finance lease.

3.2.1.1 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 3.1.8 “Measurement of credit risk”).

3.2.1.2 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.

3.2.2 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.

3.2.3 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 actuarial gains and losses, which is accounted for as unrealized or deferred gains and losses, recognized in shareholders' equity.

3.2.3.1 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 and employee categories;
- 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. 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).

Pension reform enacted on April 15, 2023

In France, the changes brought about by the pension reform constitute a change in the retirement benefits plan, the impact of which in terms of past service cost has been recognized in the income statement.

In France, retirement benefits in the group's banks are at least 60% covered by insurance from ACM Vie – an insurance company which is part of the Crédit Mutuel group and is consolidated under the equity method.

3.2.3.2 Supplementary pensions covered by pension funds

The AFB interim agreement dated September 13, 1993, amended the pension plans of banking institutions. Since January 1, 1994, banks have been participating in the national Arrco and Agirc pension plans. The four pension funds to which the group's banks belong, as applicable, have been merged. They ensure the payment of the various obligations set forth in the interim agreement, using their reserves, supplemented as needed by additional annual contributions paid by the banks concerned, with an average rate over the next ten years capped at 4 % of total payroll. The pension fund resulting from the mergers was converted into an IGRS in 2009. It has no asset shortfall.

3.2.3.3 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.

3.2.3.4 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 give rise to a provision.

3.2.3.5 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.

3.2.3.6 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.

3.2.4 Non-current assets

3.2.4.1 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-depreciable non-current assets (such as lease rights prior to the first application of IFRS 16) are tested for impairment 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".

3.2.4.2 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. Computer and safety equipment were not included due to the fact that they are replaceable, in accordance with the standard.

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. 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.

3.2.5 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.

3.2.6 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.

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.

<u>International Tax Reform – Pillar 2 Model Rules</u>

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.

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.

3.2.7 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".

3.3 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 and Middle East conflicts 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;
- 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;
- 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.

4 Related-party information

Parties related to CIC are companies consolidated by CIC, as well as by the CMAF group.

Transactions carried out between CIC and its subsidiaries and associates are carried out under normal market conditions, at the time these transactions are completed.

The list of CIC's consolidated companies is presented in note 2a to the financial statements, below. As transactions carried out and outstandings that exist at the end of the period between the group's fully 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.

5 Standards and interpretations adopted by the European Union and not yet applied

5.1 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 2a Consolidation scope

Entering company:

- Transatlantique Private Wealth LLC

Companies	Currency	Country	06/30/2026 Percentage Control	Interest	Method[1]	12/31/2025 Percentage Control	Interest	Method[1]
Consolidated company: Crédit Industriel et Commercial – CIC								
CIC Brussels (branch)		Belgium	100	100	FC	100	100	FC
CIC Hong Kong (branch)	USD	Hong Kong	100	100	FC	100	100	FC
CIC London (branch)	GBP	United Kingdom	100	100	FC	100	100	FC
CIC New York (branch)	USD	USA	100	100	FC	100	100	FC
CIC Singapore (branch)	USD	Singapore	100	100	FC	100	100	FC
A. Banking network								
CIC Est		France (i)	100	100	FC	100	100	FC
CIC Lyonnaise de Banque		France (i)	100	100	FC	100	100	FC
CIC Lyonnaise de Banque Monaco (branch)		Monaco	100	100	FC	100	100	FC
CIC Nord Ouest		France (i)	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
B. Business line subsidiaries								
Crédit Mutuel Factoring		France	100	100	FC	100	100	FC
Crédit Mutuel Leasing		France (i)	100	100	FC	100	100	FC
Crédit Mutuel Leasing Benelux		Belgium	100	100	FC	100	100	FC
Crédit Mutuel Leasing Spain (branch)		Spain	100	100	FC	100	100	FC
Crédit Mutuel Leasing Gmbh		Germany	100	100	FC	100	100	FC
Crédit Mutuel Leasing Nederland (branch)		The Netherlands	100	100	FC	100	100	FC
Crédit Mutuel Real Estate Lease		France	54	54	FC	54	54	FC
FCT Crédit Mutuel Factoring		France	100	100	FC	100	100	FC
Gesteurop		France (i)	100	100	FC	100	100	FC
C. Corporate banking and capital markets[2]								
Caroline 1		France	100	100	FC	100	100	FC
Satellite		France	100	100	FC	100	100	FC
D. Asset management and private banking								
Banque CIC (Suisse)	CHF	Switzerland	100	100	FC	100	100	FC
Banque de Luxembourg		Luxembourg	100	100	FC	100	100	FC
Banque de Luxembourg Belgique (branch)		Belgium	100	100	FC	100	100	FC
Banque de Luxembourg Investments SA		Luxembourg	100	100	FC	100	100	FC
Banque Transatlantique		France	100	100	FC	100	100	FC
Banque Transatlantique London (branch)	GBP	United Kingdom	100	100	FC	100	100	FC
Banque Transatlantique Belgium		Belgium	100	100	FC	100	100	FC
Banque Transatlantique Luxembourg		Luxembourg	100	100	FC	100	100	FC
Dubly Transatlantique Gestion		France	100	100	NC	100	100	FC

Companies	Currency	Country	06/30/2026 Percentage Control	06/30/2026 Percentage Interest	06/30/2026 Method(1)	12/31/2025 Percentage Control	12/31/2025 Percentage Interest	12/31/2025 Method(1)
Transatlantique Private Wealth LLC	USD	United States	100	100	FC			FC
E. Private equity								
CIC Capital Belgium		Belgium	100	100	FC	100	100	FC
CIC Capital Canada Inc.	CAD	Canada	100	100	FC	100	100	FC
CIC Capital Deutschland Gmbh		Germany	100	100	FC	100	100	FC
CIC Capital Suisse SA	CHF	Switzerland	100	100	FC	100	100	FC
CIC Conseil		France (i)	100	100	FC	100	100	FC
Crédit Mutuel Capital		France (i)	100	100	FC	100	100	FC
Crédit Mutuel Innovation		France	100	100	FC	100	100	FC
Crédit Mutuel Equity		France (i)	100	100	FC	100	100	FC
Crédit Mutuel Equity SCR		France	100	100	FC	100	100	FC
F. Structure and logistics								
CIC Participations		France (i)	100	100	FC	100	100	FC
G. Insurance companies								
Groupe des Assurances du Crédit Mutuel (GACM)[3]		France	16	16	EM	16	16	EM

(1) *Method: ME = Merged; FC = Full Consolidation; EM = Equity Method; NC = Not Consolidated.*
(2) *CIB's operations are mainly carried out by Crédit Industriel et Commercial – consolidating entity; see note 3.*
(3) *Based on the consolidated financial statements.*
(i) *Members of the tax consolidation group set up by CIC.*

Note 2b Fully consolidated entities with significant non-controlling interests

06/30/2026	Percentage of non-controlling interests in the consolidated financial statements: 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	Financial information regarding fully-consolidated entities(1): Balance sheet Total	OCI	Net revenue	Net income
Crédit Mutuel Real Estate Lease	46%	-1	19	0	5,777	0	12	-1

(1) *Amounts before elimination of intercompany balances and transactions.*

12/31/2025	Percentage of non-controlling interests in the consolidated financial statements: 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	Financial information regarding fully-consolidated entities(1): Balance sheet Total	OCI	Net revenue	Net income
Crédit Mutuel Real Estate Lease	46%	-1	20	0	5,763	0	21	-2

(1) *Amounts before elimination of intercompany balances and transactions.*

Note 3 Analysis of the income statement by business line and geographic area

Business line analysis principle

- Retail banking comprises a) the banking network, made up of the regional banks and the CIC network in Île-de-France, and b) the specialized subsidiaries whose product marketing is performed by the network: real estate and equipment leasing, factoring, real estate. Insurance, consolidated using the equity method, is included in this segment.
- Corporate & institutional banking comprise a) corporate and institutional financing, specialized financing and international activities, and b) capital markets, which include investments in interest-rate, equity and credit-related activities (ITAC) and stock market intermediation.
- Asset management and private banking include asset management, collective third-party management; for private banking, companies for which this is the main purpose, both in France and abroad.
- Private equity includes proprietary trading and financial engineering services via dedicated entities. The entire portfolio is valued at fair value by option.
- The holding company covers all activities not assigned to another business.
- Each consolidated company is included in only one business line, corresponding to its core business in terms of contribution to the group's results, with the exception of CIC, whose annual financial statements are allocated on a cost accounting basis.

BREAKDOWN OF THE INCOME STATEMENT BY BUSINESS LINE

06/30/2026	Retail banking	Corporate & Insitutional Banking	Asset management and private banking	Private Equity	Holding Company	Total
Net revenue	2,332	641	434	171	1	3,579
General operating expenses	-1,421	-261	-302	-47	-40	-2,071
Gross operating income	**911**	**380**	**132**	**124**	**-39**	**1,508**
Cost of counterparty risk	-266	-13	-13	-	-	-292
Gains on other assets[1]	76	-	3	-	-	79
Income before tax	**721**	**367**	**122**	**124**	**-39**	**1,295**
Income tax	-196	-84	-28	5	-47	-350
Net income	**525**	**283**	**94**	**129**	**-86**	**945**

[1] *Including net income of entities accounted for using the equity method and impairment losses on goodwill.*

06/30/2025	Retail banking	Corporate & Insitutional Banking	Asset management and private banking	Private Equity	Holding Company	Total
Net revenue	2,091	651	428	211	12	3,393
General operating expenses	-1,388	-246	-289	-47	-27	-1,997
Gross operating income	**703**	**405**	**139**	**164**	**-15**	**1,396**
Cost of counterparty risk	-233	13	7	-	-	-213
Gains on other assets[1]	74	-	-	-	6	80
Income before tax	**544**	**418**	**146**	**164**	**-9**	**1,263**
Income tax	-164	-138	-33	6	17	-312
Net income	**380**	**280**	**113**	**170**	**8**	**951**

[1] *Including net income of entities accounted for using the equity method and impairment losses on goodwill.*

BREAKDOWN OF INCOME STATEMENT BY GEOGRAPHIC AREA

	06/30/2026				06/30/2025			
	France	Europe outside France	Other countries	Total	France	Europe outside France	Other countries	Total
Net revenue	3,018	389	172	3,579	2,829	397	167	3,393
General operating expenses	-1,764	-250	-57	-2,071	-1,695	-246	-56	-1,997
Gross operating income	**1,254**	**139**	**115**	**1,508**	**1,134**	**151**	**111**	**1,396**
Cost of counterparty risk	-280	-14	2	-292	-203	-4	-6	-213
Gains on other assets[1]	79	-	-	79	81	-1	-	80
Income before tax	**1,053**	**125**	**117**	**1,295**	**1,012**	**146**	**105**	**1,263**
Income tax	-303	-26	-21	-350	-264	-26	-22	-312
Post-tax gains and losses on discontinued assets	-	-	-	-	-	-	-	-
Net income	**750**	**99**	**96**	**945**	**748**	**120**	**83**	**951**

[1] *Including net income of entities accounted for using the equity method and impairment losses on goodwill.*

NOTES TO THE BALANCE SHEET – ASSETS

Note 4 Cash and central banks

	06/30/2026	12/31/2025
Cash and central banks		
Central banks	45,420	45,390
of which mandatory reserves	1,773	1,758
Local bank	76	169
TOTAL	**45,496**	**45,559**

Note 5 Financial assets and liabilities at fair value through profit or loss

Note 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	**14,724**	**623**	**5,036**	**20,383**	**11,397**	**609**	**4,944**	**16,950**
Government securities	888	0	0	888	662	0	0	662
Bonds and other debt securities	10,856	623	319	11,798	9,052	609	337	9,998
■ Listed	10,856	0	292	11,148	9,052	0	286	9,338
■ Non-listed	0	623	27	650	0	609	51	660
of which UCIs	0		35	35	0		52	52
Shares and other capital instruments	2,980	-	3,855	6,835	1,683	-	3,747	5,430
■ Listed	2,980	-	269	3,249	1,683	-	257	1,940
■ Non-listed	0	-	3,586	3,586	0	-	3,490	3,490
Long-term investments	-	-	862	862	-	-	860	860
■ Equity investments	-	-	120	120	-	-	119	119
■ Other long-term investments	-	-	51	51	-	-	51	51
■ Investments in subsidiaries and associates	-	-	690	690	-	-	689	689
■ Other long-term investments	-	-	1	1	-	-	1	1
Derivative instruments	**6,700**	**-**	**-**	**6,700**	**5,756**	**-**	**-**	**5,756**
Loans and receivables	**18,525**	**0**	**15**	**18,540**	**11,797**	**0**	**14**	**11,811**
of which pensions	18,525	0		18,525	11,797	0		11,797
Other assets classified as FVPL[1]	**-**	**-**	**315**	**315**	**-**	**-**	**315**	**315**
TOTAL	**39,949**	**623**	**5,366**	**45,938**	**28,950**	**609**	**5,273**	**34,832**

[1] *Reimbursement rights concerning the defined benefit plan for retirement benefits.*

Note 5b Analysis of trading derivatives

	06/30/2026			12/31/2025		
	Notional amount	Assets	Liabilities	Notional amount	Assets	Liabilities
Trading derivatives						
Rate instruments	173,664	4,997	4,883	150,522	4,235	4,118
Swaps	143,740	4,268	4,798	116,824	3,729	3,936
Other firm contracts	0	0	0	0	0	0
Options and conditional instruments	29,924	729	85	33,698	506	182
Foreign exchange instruments	131,227	1,352	1,211	127,714	1,226	1,155
Swaps	62,027	46	31	56,606	25	17
Other firm contracts	12,215	1,028	903	13,880	910	847
Options and conditional instruments	56,985	278	277	57,228	291	291
Other derivatives	24,515	351	263	19,942	295	236
Swaps	5,962	82	93	5,355	101	109
Other firm contracts	13,215	150	118	9,414	96	89
Options and conditional instruments	5,338	119	52	5,173	98	38
TOTAL	**329,406**	**6,700**	**6,357**	**298,178**	**5,756**	**5,509**

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

Note 6a Hedging derivatives

	06/30/2026			12/31/2025		
	Notional amount	Assets	Liabilities	Notional amount	Assets	Liabilities
Hedging derivatives						
Fair Value Hedges	98,383	780	608	86,857	838	706
Swaps	98,383	780	608	86,856	838	706
Other firm contracts	0	0	0	0	0	0
Options and conditional instruments	0	0	0	1	0	0
TOTAL	**98,383**	**780**	**608**	**86,857**	**838**	**706**

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.

Hedging derivatives consist solely of interest rate instruments.

Note 6b Revaluation adjustment on rate-hedged books

	06/30/2026	12/31/2025
Fair value of portfolio interest rate risk		
■ in financial assets	-390	-329
■ in financial liabilities	-16	-17

Note 7 Financial assets at fair value through shareholders' equity

Note 7a Financial assets at fair value through shareholders' equity, by type of product

	06/30/2026	12/31/2025
Government securities	6,142	4,657
Bonds and other debt securities	22,110	19,323
Listed	20,607	18,269
Non-listed	1,503	1,054
Related receivables	150	152
Debt securities subtotal, gross	**28,402**	**24,132**
Of which impaired debt securities (S3)	*20*	*20*
Impairment of performing loans (S1/S2)	-17	-16
Other impairment (S3)	-11	-11
Debt securities subtotal, net	**28,374**	**24,105**
Shares and other capital instruments	0	0
Listed	0	0
Non-listed	0	0
Long-term investments	304	308
Equity investments	69	72
Other long-term investments	201	201
Investments in subsidiaries and associates	34	35
Subtotal, equity instruments	**304**	**308**
TOTAL	**28,678**	**24,413**
of which unrealized capital gains or losses recognized under equity	*-41*	*-98*
of which listed equity investments	*0*	*0*

Note 7b 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				
Fair value through equity	15,883	12,471	324	28,678
■ Government and equivalent securities	6,016	127	20	6,163
■ Bonds and other debt securities	9,867	12,344	0	22,211
■ Shares and other capital instruments	0	0	0	0
■ Investments and other long-term securities	0	0	270	270
■ Investments in subsidiaries and associates	0	0	34	34
Trading/Fair value option/Other	6,375	33,701	5,546	45,622
■ 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	3,607	7,002	248	10,857
■ Bonds and other debt securities - Fair value option	0	0	623	623
■ Bonds and other debt securities - Other FVPL	290	22	7	319
■ Shares and other equity instruments - Trading	1,317	1,651	11	2,979
■ Shares and other equity instruments - Other FVPL	269	0	3,585	3,854
■ Investments and other long-term securities - Other FVPL	1	0	170	171
■ Investments in subsidiaries and associates - Other FVPL	0	0	691	691
option	0	0	0	0
■ Loans and receivables due from credit institutions - Other FVPL	0	0	0	0
■ Loans and receivables due from customers - Fair value option	0	0	0	0
■ Loans and receivables due from customers - Other FVPL	0	15	0	15
■ Loans and receivables - Trading	0	18,525	0	18,525
■ Derivatives and other financial assets - Trading	73	6,443	184	6,700
Hedging derivatives	0	780	0	780
TOTAL	**22,258**	**46,952**	**5,870**	**75,080**
FINANCIAL LIABILITIES				
Trading/Fair value option	1,694	31,550	250	33,494
■ 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	19,527	0	19,527
■ Derivatives and other financial liabilities - Trading	1,694	6,102	250	8,046
Hedging derivatives	1	607	0	608
TOTAL	**1,695**	**32,157**	**250**	**34,102**

- 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, and the counterparty risk present in the fair value of over-the-counter derivatives.

The methods used may change.

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.

12/31/2025	Level 1	Level 2	Level 3	Total
FINANCIAL ASSETS				
Fair value through equity	13,120	10,986	307	24,413
■ Government and equivalent securities	4,597	82	0	4,679
■ Bonds and other debt securities	8,523	10,904	0	19,427
■ Shares and other capital instruments	0	0	0	0
■ Investments and other long-term securities	0	0	273	273
■ Investments in subsidiaries and associates	0	0	34	34
Trading/Fair value option/Other	3,874	25,419	5,225	34,518
■ 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	100	9,052
■ Bonds and other debt securities - Fair value option	0	0	609	609
■ Bonds and other debt securities - Other FVPL	283	46	8	337
■ Shares and other equity instruments - Trading	1,516	167	0	1,683
■ Shares and other equity instruments - Other FVPL	257	0	3,490	3,747
■ Investments and other long-term securities - Other FVPL	1	0	170	171
■ Investments in subsidiaries and associates - Other FVPL	0	0	690	690
■ Loans and receivables due from credit institutions - Fair value	0	0	0	0
■ Loans and receivables due from credit institutions - Other FVPL	0	0	0	0
■ Loans and receivables due from customers - Fair value option	0	0	0	0
■ Loans and receivables due from customers - Other FVPL	0	14	0	14
■ Loans and receivables - Trading	0	11,797	0	11,797
■ Derivatives and other financial assets - Trading	57	5,541	158	5,756
Hedging derivatives	0	838	0	838
TOTAL	**16,994**	**37,243**	**5,532**	**59,769**
FINANCIAL LIABILITIES				
Trading/Fair value option	1,026	20,044	342	21,412
■ Due to credit institutions - Fair value option	0	47	0	47
■ Amounts 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	11,281	0	11,281
■ Derivatives and other financial liabilities - Trading	1,026	5,680	342	7,048
Hedging derivatives	0	706	0	706
TOTAL	**1,026**	**20,750**	**342**	**22,118**

There is no transfer between levels 1 and 2 whose amount exceeds 10% of the amount of the “Total” line for the concerned category of assets or liabilities.

Note 7c 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	06/30/2026	12/31/2025
RMBS	1,414	1,069
CMBS	0	0
CLO	4,657	4,342
Other ABS	6,950	6,247
TOTAL	**13,021**	**11,658**

Unless otherwise indicated, securities are not hedged by CDS

EXPOSURES TO RMBS, CMBS, CLO AND OTHER ABS

06/30/2026	RMBS	CMBS	CLO	Other ABS	Total
Fair value through profit or loss	41	-	-	4	45
Amortized cost	5	-	184	4,334	4,523
Fair value – Others	0	-	16	131	147
Fair value through equity	1,368	-	4,457	2,481	8,306
TOTAL	**1,414**	**0**	**4,657**	**6,950**	**13,021**
France	560	-	1,028	2,401	3,989
Spain	42	-	-	399	441
United Kingdom	350	-	561	317	1,228
Europe excluding France, Spain and the UK	445	-	105	1,924	2,474
USA	1	-	2,963	1,309	4,273
Other	16	-	-	600	616
TOTAL	**1,414**	**0**	**4,657**	**6,950**	**13,021**
US Branches	0	-	-	-	0
AAA	1,385	-	4,278	2,117	7,780
AA	27	-	318	1,042	1,387
A	1	-	45	0	46
BBB	0	-	-	-	0
BB	0	-	-	0	0
B or below	1	-	-	7	8
Not rated	0	-	16	3,784	3,800
TOTAL	**1,414**	**0**	**4,657**	**6,950**	**13,021**
Origination 2020 and earlier	14	-	67	118	199
Origination 2021	151	-	548	1,255	1,954
Origination 2022	167	-	77	292	536
Origination 2023	232	-	26	1,424	1,682
Origination 2024	247	-	1,225	1,528	3,000
Origination 2025	332	-	2,190	1,302	3,824
Origination 2026	271	-	524	1,031	1,826
TOTAL	**1,414**	**0**	**4,657**	**6,950**	**13,021**

12/31/2025	RMBS	CMBS	CLO	Other ABS	Total
Fair value through profit or loss	47	–	–	5	52
Amortized cost	7	–	242	3,906	4,155
Fair value – Others	1	–	10	147	158
Fair value through equity	1,014	–	4,090	2,189	7,293
TOTAL	**1,069**	**0**	**4,342**	**6,247**	**11,658**
France	481	–	950	2,068	3,499
Spain	41	–	–	378	419
United Kingdom	163	–	408	287	858
Europe excluding France, Spain and the UK	363	–	120	1,965	2,448
USA	1	–	2,864	1,113	3,978
Other	20	–	0	436	456
TOTAL	**1,069**	**0**	**4,342**	**6,247**	**11,658**
US Branches	0	–	–	–	0
AAA	1,062	–	3,975	2,003	7,040
AA	5	–	309	872	1,186
A	1	–	48	2	51
BBB	0	–	–	–	0
BB	0	–	–	0	0
B or below	1	–	–	6	7
Not rated	0	–	10	3,364	3,374
TOTAL	**1,069**	**0**	**4,342**	**6,247**	**11,658**
Origination 2020 and earlier	21	–	146	84	251
Origination 2021	196	–	646	1,150	1,992
Origination 2022	150	–	53	295	498
Origination 2023	184	–	111	1,575	1,870
Origination 2024	249	–	1,311	1,784	3,344
Origination 2025	269	–	2,075	1,359	3,703
TOTAL	**1,069**	**0**	**4,342**	**6,247**	**11,658**

Note 8 Financial assets at amortized cost

	06/30/2026	12/31/2025
Securities at amortized cost	5,780	5,462
Loans and receivables due from credit institutions	53,196	49,542
Loans and receivables due from customers	264,589	261,726
TOTAL	**323,565**	**316,730**

Note 8a Securities at amortized cost

	06/30/2026	12/31/2025
Securities	5,765	5,446
Government securities	1,521	1,440
Bonds and other debt securities	4,244	4,006
■ Listed	3,804	3,419
■ Non-listed	440	587
Related receivables	17	18
TOTAL GROSS	**5,782**	**5,464**
of which impaired assets (S3)	0	1
Impairment of performing loans (S1/S2)	-2	-2
Other impairment (S3)	0	0
TOTAL	**5,780**	**5,462**

At June 30, 2026, the net carrying amount of HQLA debt securities recognized as assets at amortized cost amounted to €2,643 million. The estimated fair value of these assets amounts to €2,631 million.

Note 8b Loans and receivables due from credit institutions at amortized cost

	06/30/2026	12/31/2025
Performing loans (S1/S2)	52,948	49,088
Current accounts	20,851	23,936
Loans	28,707	21,723
Other receivables	2,550	2,740
Pensions	840	689
Gross receivables subject to individual impairment (S3)	0	0
Related receivables	249	455
Impairment of performing loans (S1/S2)	-1	-1
Other impairment (S3)	0	0
TOTAL	**53,196**	**49,542**

Note 8c Loans and receivables due from customers at amortized cost

	06/30/2026	12/31/2025
Performing loans (S1/S2)	245,189	242,626
Commercial loans	8,262	8,886
Other customer receivables	236,167	233,053
■ home loans	114,591	113,500
■ other loans and receivables[1]	116,855	113,228
■ pensions	4,721	6,325
Related receivables	760	687
Gross receivables subject to individual impairment (S3)	7,747	7,656
Gross receivables	**252,936**	**250,282**
Impairment of performing loans (S1/S2)	-952	-950
Other impairment (S3)	-3,084	-2,959
Subtotal I	**248,900**	**246,373**
Finance leases (net investment)	15,250	15,022
Equipment	10,098	9,830
Real estate	5,152	5,192
Gross receivables subject to individual impairment (S3)	783	641
Impairment of performing loans (S1/S2)	-102	-100
Other impairment (S3)	-242	-210
Subtotal II	**15,689**	**15,353**
TOTAL	**264,589**	**261,726**
of which equity loans	*13*	*14*
of which subordinated loans	*2*	*12*

(1) *This includes guarantee deposits paid in respect of payment commitments to the Single Resolution Fund (€146 million) and the Deposit Guarantee Fund (€131 million).*

FINANCE LEASE TRANSACTIONS WITH CUSTOMERS

	12/31/2025	Increase	Decrease	Other	06/30/2026
Gross carrying amount	15,663	1,465	-1,039	-56	16,033
Impairment of non-recoverable lease payments	-310	-85	50	1	-344
Net carrying amount	15,353	1,380	-989	-55	15,689

Note 9 Gross values and movements in impairment provisions

Note 9a 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	**49,543**	**14,930**	**-11,377**	**0**	**101**	**53,197**
■ 12-month expected losses (S1)	49,541	14,930	-11,377	0	101	53,195
■ expected losses at termination (S2)	2	0	0	0	0	2
Financial assets at amortized cost – loans and receivables due from customers, subject to	**265,945**	**46,788**	**-44,511**	**0**	**747**	**268,969**
■ 12-month expected losses (S1)	233,207	45,217	-40,471	-2,542	434	235,845
■ expected losses at termination (S2)	24,441	1,214	-2,759	1,558	140	24,594
■ expected losses on assets credit-impaired (S3) at the end of the period but not credit-impaired on initial recognition	8,125	344	-1,255	984	172	8,370
■ expected losses on assets credit-impaired (S3) at the end of the period and on initial recognition	172	13	-26	0	1	160
Financial assets at amortized cost – securities	**5,464**	**1,073**	**-780**	**0**	**25**	**5,782**
■ 12-month expected losses (S1)	5,456	1,073	-780	2	24	5,775
■ expected losses at termination (S2)	7	0	0	-1	1	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	**24,132**	**10,689**	**-6,869**	**0**	**450**	**28,402**
■ 12-month expected losses (S1)	24,105	10,689	-6,866	-3	450	28,375
■ expected losses at termination (S2)	7	0	-3	3	0	7
■ 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	**345,084**	**73,480**	**-63,537**	**0**	**1,323**	**356,350**

(1) *Of which conversion.*

BREAKDOWN OF IMPAIRMENT

	Outstandings			Impairment					Net outstandings
06/30/2026	S1	S2	S3	S1	Of which adjustments[1]	S2	Of which adjustments[1]	S3	
Loans and receivables due from credit institutions	53,195	2	0	-1	0	0	0	0	53,196
Loans and receivables due from customers	235,845	24,594	8,530	-385	-41	-669	-69	-3,326	264,589
Financial assets at amortized cost – securities	5,775	7	0	-1	0	-1	0	0	5,781
Financial assets at FVOCI – debt securities	28,375	7	20	-17	0	0	0	-11	28,374
Financial assets at FVOCI – Loans	0	0	0	0	0	0	0	0	0
TOTAL	**323,190**	**24,610**	**8,550**	**-404**	**-41**	**-670**	**-69**	**-3,337**	**351,940**

(1) *Post-model adjustment.*

	Outstandings			Impairment					Net outstandings
12/31/2025	S1	S2	S3	S1	Of which adjustments[1]	S2	Of which adjustments[1]	S3	
Loans and receivables due from credit institutions	49,541	2	0	-1	0	0	0	0	49,542
Loans and receivables due from customers	233,207	24,441	8,297	-364	-39	-686	-71	-3,169	261,728
Financial assets at amortized cost – securities	5,456	7	1	-1	0	-1	0	0	5,462
Financial assets at FVOCI – debt securities	24,105	7	20	-16	0	0	0	-11	24,105
Financial assets at FVOCI – Loans	0	0	0	0	0	0	0	0	0
TOTAL	**312,309**	**24,457**	**8,318**	**-382**	**-39**	**-687**	**-71**	**-3,180**	**340,837**

(1) *Post-model adjustment.*

Note 9b Movements in impairment provisions

	12/31/2025	Addition	Reversal	Other	06/30/2026
Financial assets at amortized cost – loans and receivables due from credit institutions	**-1**	**-1**	**1**	**0**	**-1**
■ 12-month expected losses (S1)	-1	-1	1	0	-1
Financial assets at amortized cost – loans and receivables due from customers	**-4,219**	**-947**	**792**	**-6**	**-4,380**
■ 12-month expected losses (S1)	-364	-135	116	-2	-385
■ expected losses at termination (S2)	-686	-269	286	0	-669
■ expected losses on assets credit-impaired (S3) at the end of the period but not credit-impaired on initial recognition	-3,169	-543	390	-4	-3,326
■ 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	**-1**	**0**	**0**	**0**	**-2**
■ 12-month expected losses (S1)	-1	0	0	0	-1
■ 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	**-27**	**-9**	**8**	**0**	**-28**
■ 12-month expected losses (S1)	-16	-8	7	0	-17
■ 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	**-4,249**	**-957**	**801**	**-6**	**-4,411**

The group conducted a sensitivity test of the cost of risk (including post-model adjustment). It is presented in note 1.

Note 10 Tax

Note 10a Current tax

	06/30/2026	12/31/2025
Assets (through profit or loss)	558	721
Liabilities (through profit or loss)	393	315

Note 10b Deferred tax

	06/30/2026	12/31/2025
Assets (through profit or loss)	372	369
Assets (through shareholders' equity)	52	63
Liabilities (through profit or loss)	347	349
Liabilities (through shareholders' equity)	29	25

Note 11 Accruals and miscellaneous assets

	06/30/2026	12/31/2025
Accruals - Assets		
Collection accounts	54	82
Currency adjustment accounts	173	54
Accrued income	500	406
Other accruals	841	2,037
Subtotal	**1,568**	**2,579**
Other assets		
Securities settlement accounts	216	92
Miscellaneous receivables	4,235	3,392
Inventories and similar	8	39
Other miscellaneous uses	6	4
Subtotal	**4,465**	**3,527**
TOTAL	**6,033**	**6,106**

Accruals and miscellaneous receivables consist mainly of suspense accounts relating to interbank payment systems.

Expense accounts payable and receivables concern employee benefit expenses and general operating expenses and do not concern lending or borrowing for which accrued interest not yet due constitutes debts or related receivables.

Note 12 Investments in equity consolidated companies

Note 12a Share of net income of equity consolidated companies

06/30/2026	Country	% interest	Value of equity consolidation[1]	Share of net income	Dividends received
Groupe ACM	France	15.93%	1,631	77	55
TOTAL			**1,631**	**77**	**55**

12/31/2025	Country	% interest	Value of equity consolidation[1]	Share of net income	Dividends received
Groupe ACM	France	15.93%	1,601	149	54
TOTAL			**1,601**	**149**	**54**

[1] *Comprises goodwill of €52 million for Groupe ACM.*

Note 13 Investment property

	12/31/2025	Increase	Decrease	Other	06/30/2026
Historical cost	79	8	-4	0	83
Depreciation and impairment	-33	-1	0	0	-34
NET AMOUNT	**46**	**7**	**-3**	**0**	**49**

Note 14 Property, plant and equipment and intangible assets

Note 14a Property, plant and equipment

	12/31/2025	Increase	Decrease	Other	06/30/2026
Historical cost					
Operating sites	345	0	0	0	345
Operating buildings	2,499	21	-18	0	2,502
Usage rights – Real estate	946	28	-133	33	874
Other property, plant and equipment	669	73	-98	0	644
TOTAL	**4,459**	**122**	**-249**	**33**	**4,365**
Depreciation and impairment					
Operating sites	0	0	0	0	0
Operating buildings	-1,775	-33	15	0	-1,793
Usage rights – Real estate	-507	-53	102	-32	-490
Other property, plant and equipment	-446	-11	75	0	-382
TOTAL	**-2,728**	**-97**	**192**	**-32**	**-2,665**
NET AMOUNT	**1,731**	**25**	**-57**	**1**	**1,700**

Note 14b Intangible assets

	12/31/2025	Increase	Decrease	Other	06/30/2026
Historical cost					
Internally developed intangible assets	0	0	0	0	0
Purchased intangible assets	411	8	-15	3	407
■ software	239	6	-14	2	233
■ other	172	2	-1	1	174
TOTAL	**411**	**8**	**-15**	**3**	**407**
Depreciation and impairment					
Internally developed intangible assets	0	0	0	0	0
Purchased intangible assets	-284	-61	28	-2	-319
■ software	-195	-9	14	-2	-192
■ other	-89	-52	14	0	-127
TOTAL	**-284**	**-61**	**28**	**-2**	**-319**
NET AMOUNT	**127**	**-53**	**13**	**1**	**88**

Note 15 Goodwill

	12/31/2025	Increase	Decrease	Other	06/30/2026
Gross goodwill	33	0	0	0	33
Impairment	0	0	0	0	0
NET GOODWILL	**33**	**0**	**0**	**0**	**33**

Subsidiaries	12/31/2025	Increase	Decrease	Other	06/30/2026
Banque Transatlantique	6	-	-	-	6
Dubly Transatlantique Gestion	6	-	-	-	6
Crédit Mutuel Equity SCR	21	-	-	-	21
TOTAL	**33**	**0**	**0**	**0**	**33**

The cash-generating units to which goodwill is allocated are tested 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 recoverable amount (value in use) is determined using the discounted future expected cash flow method.

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 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. At June 30, 2026, the discount rate used is 10%.

NOTES TO THE BALANCE SHEET – LIABILITIES

Note 16 Financial liabilities at fair value through profit or loss

	06/30/2026	12/31/2025
Financial liabilities held for trading	27,573	18,329
Financial liabilities at fair value through profit or loss on option	5,921	3,083
TOTAL	**33,494**	**21,412**

Note 16a Financial liabilities held for trading

	06/30/2026	12/31/2025
Short sales of securities	1,666	931
■ Government securities	0	0
■ Bonds and other debt securities	625	52
■ Shares and other capital instruments	1,041	879
Debts in respect of securities sold under repurchase agreements	19,527	11,282
Trading derivatives	6,357	5,509
Other financial liabilities held for trading	23	607
TOTAL	**27,573**	**18,329**

Note 16b 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
Securities issued	5,457	5,458	-1	2,734	2,733	1
Debt securities	0	0	0	0	0	0
Interbank debt	35	35	0	47	47	0
Due to customers	429	429	0	302	302	0
TOTAL	**5,921**	**5,922**	**-1**	**3,083**	**3,082**	**1**

Note 17 Financial liabilities at amortized cost

Note 17a Due to central banks and credit institutions

	06/30/2026	12/31/2025
Central banks	**9**	**12**
Due to credit institutions	**105,037**	**99,020**
Current accounts	2,789	2,315
Borrowings	90,634	87,753
Other debt	2,549	1,746
Pensions	8,593	6,770
Related debt	472	436

Note 17b Due to customers at amortized cost

	06/30/2026	12/31/2025
Special savings accounts	50,648	51,923
■ demand	41,352	41,937
■ term	9,296	9,986
Related debts on savings accounts	369	0
Subtotal	**51,017**	**51,923**
Demand accounts	95,383	97,282
Term deposits and borrowings	77,693	74,972
Pensions	4,635	4,202
Other debt	27	26
Related debt	1,244	1,064
Subtotal	**178,982**	**177,546**
TOTAL	**229,999**	**229,469**

Note 17c Debt securities at amortized cost

	06/30/2026	12/31/2025
Certificates of deposit	65	62
Interbank certificates and negotiable debt instruments	29,633	28,263
Bonds	18,781	15,781
Non-preferred senior securities	0	0
Related debt	432	460
TOTAL	**48,911**	**44,566**

Note 18 Accruals and miscellaneous liabilities

	06/30/2026	12/31/2025
Accruals - Liabilities		
Accounts unavailable due to recovery procedures	28	11
Currency adjustment accounts	202	261
Accrued expenses	1,117	1,098
Deferred income	672	628
Other accruals	2,414	4,656
Subtotal	**4,433**	**6,654**
Other liabilities		
Lease obligations – Real estate	398	454
Securities settlement accounts	727	46
Outstanding amounts payable on securities	149	173
Miscellaneous creditors	759	675
Subtotal	**2,033**	**1,348**
TOTAL	**6,466**	**8,002**

Note 18a 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						
■ Real estate	95	130	107	45	22	398

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						
■ Real estate	96	177	114	42	26	454

Note 19 Provisions

Note 19a 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	**435**	**151**	**-2**	**-119**	**1**	**466**
On guarantee commitments	303	107	0	-77	0	333
of which 12-month expected losses (S1)	55	20	0	-18	0	57
of which expected losses at termination (S2)	71	34	0	-31	0	74
On financing commitments	88	31	0	-36	-1	82
of which 12-month expected losses (S1)	51	23	0	-22	0	52
of which expected losses at termination (S2)	34	8	0	-14	0	28
Provisions for taxes	2	0	-1	-1	1	1
Provisions for claims and litigation	12	11	0	-2	0	21
Provision for risk on miscellaneous receivables	30	2	0	-3	-1	28
Other provisions	**725**	**104**	**-6**	**-80**	**33**	**776**
Provisions for mortgage saving agreements	74	0	0	-8	0	66
Provisions for miscellaneous contingencies	83	32	-6	-71	33	71
Other provisions[1]	568	72	0	-1	0	639
Provisions for retirement commitments	**381**	**31**	**-58**	**-1**	**0**	**353**
TOTAL	**1,541**	**286**	**-66**	**-200**	**34**	**1,595**

[1] Other provisions relate to provisions for French economic interest groups (SPV) totaling €639 million.

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.

Note 19b 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	274	2	-56	0	220
Supplementary pensions	19	2	-3	0	18
Obligations for long service awards (other long-term benefits)	78	27	0	0	105
Subtotal	**371**	**31**	**-59**	**0**	**343**
Supplementary defined-benefit pensions covered by pension funds					
Commitments to employees and retirees[1]	10	0	0	0	10
Subtotal	**10**	**0**	**0**	**0**	**10**
TOTAL	**381**	**31**	**-59**	**0**	**353**

[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 assumption	06/30/2026	12/31/2025
Discount rate[1]	4.20%	3.80%

[1] *The discount rate, which is determined by reference to the long-term rate on private-sector borrowings, is based on the IBOXX index.*

Note 20 Subordinated debt at amortized cost

	06/30/2026	12/31/2025
Participating loans	0	0
Perpetual subordinated debt	0	0
Other debt	4,724	4,964
Related debt	27	25
TOTAL	**4,751**	**4,989**

SUBORDINATED DEBT REPRESENTING MORE THAN 10% OF TOTAL SUBORDINATED DEBTS

	Issue Date	Issue Amount	Currency	Rate	Term
Redeemable subordinated notes/TSR	11/04/2016	700 M€	EUR	3 months EURIBOR +1.70%	11/4/2026
Subordinated debt	12/16/2022	1 000 M€	EUR	3 months EURIBOR +2.00%	12/16/2032
Subordinated debt	01/11/2024	1 000 M€	EUR	3 months EURIBOR +1.96%	1/11/2034
Subordinated debt	01/15/2025	875 M€	EUR	3 months EURIBOR +1.83%	01/15/2035
Subordinated debt	01/28/2026	500 M€	EUR	3 months EURIBOR +1.51%	05/14/2036

Note 21 Unrealized or deferred gains and losses

Note 21a Unrealized or deferred gains and losses

	06/30/2026	12/31/2025
Unrealized or deferred gains or losses[1] relating to:		
■ translation adjustments	89	28
■ financial assets at fair value through recyclable equity - debt instrument	-74	-78
■ financial assets at fair value through non-recyclable equity - equity instrument	-57	-48
■ share of unrealized or deferred gains and losses of associates	151	143
■ actuarial gains and losses on defined benefit plans	23	-21
TOTAL	**132**	**24**

[1] *Balances net of corporation tax.*

Note 21b Recycling of gains and losses recognized directly in shareholders' equity

	06/30/2026	12/31/2025
	Operations	Operations
Translation adjustments		
Reclassification in income	0	0
Other movement	61	-214
Subtotal	**61**	**-214**
Revaluation of financial assets at FVOCI		
Reclassification in income	0	0
Other movement	-5	113
Subtotal	**-5**	**113**
Revaluation of hedging derivatives		
Reclassification in income	0	0
Other movement	0	0
Subtotal	**0**	**0**
Actuarial gains and losses on defined benefit plans	44	12
Share of unrealized or deferred gains and losses of associates	8	44
TOTAL	**108**	**-45**

Note 21c 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	61	0	61	-214	0	-214
Revaluation of financial assets at FVOCI	-5	0	-5	140	-27	113
Revaluation of hedging derivatives	0	0	0	0	0	0
Actuarial gains and losses on defined benefit plans	58	-14	44	14	-2	12
Share of unrealized or deferred gains and losses of associates	5	3	8	58	-14	44
CHANGES IN GAINS AND LOSSES RECOGNIZED DIRECTLY IN EQUITY	**119**	**-11**	**108**	**-2**	**-43**	**-45**

Note 22 Commitments given and received

Commitments given	06/30/2026	12/31/2025
Financing commitments	**56,555**	**54,982**
Commitments due to credit institutions	713	656
Commitments to customers	55,842	54,326
Guarantee commitments	**22,671**	**22,820**
Credit institution commitments	1,729	2,713
Customer commitments	20,942	20,107
Securities commitments	**18,119**	**10,656**
Securities acquired with option to repurchase	0	0
Other commitments given	18,119	10,656

Commitments received	06/30/2026	12/31/2025
Financing commitments	**971**	**321**
Commitments received from credit institutions	971	321
Commitments received from customers	0	0
Guarantee commitments	**98,820**	**88,765**
Commitments received from credit institutions	74,076	64,778
Commitments received from customer	24,744	23,987
Securities commitments	**14,812**	**7,384**
Securities sold with option to repurchase	0	0
Other commitments received	14,812	7,384

NOTES TO THE INCOME STATEMENT

Note 23 Interest income and expense

	06/30/2026		06/30/2025	
	Income	Expenses	Income	Expenses
Credit institutions and central banks	1,182	-1,590	1,907	-2,049
Customers	3,921	-1,642	3,794	-1,974
■ of which finance leasing	399	-91	394	-92
■ of which lease liability	-	-4	-	-4
Hedging derivatives	824	-821	898	-745
Financial assets at fair value through profit or loss	564	-287	605	-340
Financial assets at fair value through equity	524	0	554	0
Securities at amortized cost	64	0	75	0
Debt securities	0	-1,044	0	-1,146
Subordinated debt	0	0	0	-1
TOTAL	**7,079**	**-5,384**	**7,833**	**-6,255**
of which interest income and expense calculated at the effective interest rate	*5,691*	*-4,276*	*6,330*	*-5,169*

Note 24 Commissions

	06/30/2026		06/30/2025	
	Income	Expenses	Income	Expenses
Credit institutions	3	-3	3	-3
Customers	610	-3	593	-4
Securities	352	-80	345	-69
Derivative instruments	2	-3	2	-4
Currency transactions	12	0	12	0
Funding and guarantee commitments	25	-6	31	-16
Services provided	781	-332	733	-324
TOTAL	**1,785**	**-427**	**1,719**	**-420**

Note 25 Net gains on financial instruments at fair value through profit or loss

	06/30/2026	06/30/2025
Trading instruments	291	228
Instruments accounted for under the fair value option	-11	-1
Ineffective portion of hedges	6	-1
On fair value hedges (FVH)	6	-1
Change in the fair value of hedged items	-39	-10
Change in fair value of hedging instruments	45	9
Foreign exchange gains/(losses)	53	52
Other financial instruments at fair value through profit or loss[1]	180	228
TOTAL CHANGES IN FAIR VALUE	**519**	**505**

[1] Of which €149 million came from private equity as at June 30, 2026, compared to €181 million as at June 30, 2025.

Note 26 Net gains or losses on financial assets at fair value through shareholders' equity

	06/30/2026	06/30/2025
Dividends	6	4
Realized gains and losses on debt instruments	7	6
TOTAL	**13**	**10**

Note 27 Net gains or losses resulting from derecognition of financial assets at amortized cost

	06/30/2026	06/30/2025
Financial assets at amortized cost		
Realized gains/(losses) on :	0	2
■ Government securities	0	0
■ Bonds and other fixed-income securities	0	2
TOTAL	**0**	**2**

Note 28 Income/expenses generated by other activities

	06/30/2026	06/30/2025
Income from other activities		
Investment property:	0	0
■ reversal of provisions/depreciation	0	0
■ capital gains on disposals	0	0
Rebilled expenses	18	19
Other income	43	33
Subtotal	**61**	**52**
Expenses on other activities		
Investment property:	-1	-1
■ additions to provisions/depreciation	-1	-1
■ capital losses on disposals	0	0
Other expenses	-66	-52
Subtotal	**-67**	**-53**
NET TOTAL OF OTHER INCOME AND EXPENSES	**-6**	**-1**

Note 29 General operating expenses

	06/30/2026	06/30/2025
Employee benefit expense	-1,202	-1,170
Other general operating expenses	-724	-717
Movements in depreciation, amortization and impairment for property, plant and equipment and intangible assets	-145	-110
TOTAL	**-2,071**	**-1,997**

Note 29a Employee benefit expense

	06/30/2026	06/30/2025
Wages and salaries	-756	-681
Social security contributions	-269	-310
Short-term employee benefits	0	0
Employee profit-sharing and incentive schemes	-79	-84
Payroll-based taxes	-98	-95
Other	0	0
TOTAL	**-1,202**	**-1,170**

Note 29b Average workforce

	06/30/2026	06/30/2025
Bank technical staff	8,777	9,637
Managers	10,871	10,329
TOTAL	**19,648**	**19,966**
France	*17,502*	*17,872*
Rest of the world	*2,146*	*2,094*

Note 29c Other general operating expenses

	06/30/2026	06/30/2025
Taxes and duties	-74	-87
Leases		
■ short-term asset leases	-14	-15
■ low value/substitutable asset leases[1]	-29	-29
■ other leases	-2	-2
Other external services	-622	-601
Other income and expenses	17	17
TOTAL	**-724**	**-717**

[1] *Includes IT equipment.*

Note 29d Movements in depreciation, amortization and impairment for property, plant and equipment and intangible assets

	06/30/2026	06/30/2025
Depreciation and amortization:	-107	-108
■ property, plant and equipment	-97	-99
including usage rights	-53	-53
■ intangible assets	-10	-9
Impairment:	-37	-2
■ property, plant and equipment	0	0
■ intangible assets	-37	-2
TOTAL	**-145**	**-110**

Note 30 Cost of counterparty risk

	06/30/2026	06/30/2025
12-month expected losses (S1)	-23	-34
Expected losses at termination (S2)	17	-4
Impaired assets (S3)	-286	-176
TOTAL	**-292**	**-213**

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)	**-187**	**164**	**-**	**-**	**-**	**-23**
credit institutions at amortized cost	-1	1	-	-	-	0
Loans and receivables due from customers at amortized cost	-135	116	-	-	-	-19
of which finance leases	*-13*	*14*	-	-	-	*1*
Financial assets at amortized cost - securities	-1	0	-	-	-	-1
Financial assets at fair value through equity - Debt securities	-8	7	-	-	-	-1
Financial assets at fair value through equity - Loans	0	0	-	-	-	0
Commitments given	-43	40	-	-	-	-3
Expected losses at termination (S2)	**-314**	**331**	**-**	**-**	**-**	**17**
credit institutions at amortized cost	0	0	-	-	-	0
Loans and receivables due from customers at amortized cost	-270	285	-	-	-	15
of which finance leases	*-25*	*21*	-	-	-	*-4*
Commitments given	-43	45	-	-	-	2
Impaired assets (S3)	**-546**	**402**	**-111**	**-34**	**3**	**-286**
credit institutions at amortized cost	0	0	0	0	0	0
Loans and receivables due from customers at amortized cost	-492	368	-109	-34	3	-264
of which finance leases	*-6*	*3*	*-1*	*-1*	*0*	*-5*
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
Commitments given	-54	34	-2	0	0	-22
TOTAL	**-1,047**	**897**	**-111**	**-34**	**3**	**-292**

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)	**-230**	**196**	**–**	**–**	**0**	**-34**
credit institutions at amortized cost	0	0	–	–	0	0
■ Loans and receivables due from customers at amortized cost	-171	153	–	–	0	-18
of which finance leases	*-19*	*16*	–	–	*0*	*-3*
■ Financial assets at amortized cost - securities	0	0	–	–	0	0
■ Financial assets at fair value through equity - Debt securities	-8	6	–	–	0	-2
■ Financial assets at fair value through equity - Loans	0	0	–	–	0	0
■ Commitments given	-50	37	–	–	0	-13
Expected losses at termination (S2)	**-393**	**389**	**–**	**–**	**0**	**-4**
credit institutions at amortized cost	0	0	–	–	0	0
■ Loans and receivables due from customers at amortized cost	-338	329	–	–	0	-9
of which finance leases	*-26*	*25*	–	–	*0*	*-1*
■ Commitments given	-55	60	0	0	0	5
Impaired assets (S3)	**-461**	**418**	**-121**	**-15**	**3**	**-176**
credit institutions at amortized cost	0	0	0	0	0	0
■ Loans and receivables due from customers at amortized cost	-420	386	-120	-15	3	-166
of which finance leases	*-3*	*3*	*-2*	*-1*	*0*	*-3*
■ 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
■ Commitments given	-41	32	0	0	0	-9
TOTAL	**-1,084**	**1,003**	**-121**	**-15**	**3**	**-213**

Note 31 Net gains and losses on other assets

	06/30/2026	06/30/2025
Property, plant and equipment and intangible assets	-1	-2
Capital losses on disposals	-4	-4
Capital gains on disposals	3	2
Gains/(losses) on disposals of shares in consolidated entities	3	6
TOTAL	**2**	**4**

Note 32 Income tax

	06/30/2026	06/30/2025
Current taxes	-310	-326
Deferred tax expense/income	5	10
Adjustments in respect of prior years	-45	4
TOTAL	**-350**	**-312**

Of which -€303 million for securities in companies located in France and -€47 million for companies located outside France.

The income tax expense includes a surcharge of -€62 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 -€73 million in the first half of 2025.

Note 33 Earnings per share

	06/30/2026	06/30/2025
Group net income	946	952
Number of shares at beginning of year	38,009,418	38,009,418
Number of shares at end of year	38,009,418	38,009,418
Weighted average number of shares	38,009,418	38,009,418
BASIC EARNINGS PER SHARE (IN €)	**24.89**	**25.05**
Weighted average number of shares that may be issued	0	0
DILUTED EARNINGS PER SHARE (IN €)	**24.89**	**25.05**

CIC's share capital amounts to €611,858,064 made up of 38,241,129 shares with a nominal value of €16 each, including 231,711 treasury shares.

Note 34 Fair value hierarchy of financial instruments carried at amortized cost or at cost on the balance sheet

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 now 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
Assets					
■ Financial assets at amortized cost	317,211	323,565	2,379	72,131	242,701
Loans and receivables due from credit institutions	51,554	53,196	0	51,554	0
Loans and receivables due from customers (1)	259,920	264,589	0	17,346	242,574
Securities	5,737	5,780	2,379	3,231	127
Liabilities					
■ Due to credit institutions	106,106	105,037	0	106,106	0
■ Due to customers	230,777	229,999	0	181,013	49,764
■ Debt securities	48,826	48,911	0	48,440	386
■ Subordinated debt	4,990	4,751	0	4,990	0

(1) *Including unrealized capital losses on hedging swaps (-€390 million), the unrealized capital loss on loans amounted to €4,279 million.*

	12/31/2025				
	Market value	Carrying amount	Level 1	Level 2	Level 3
Assets					
■ Financial assets at amortized cost	309,491	316,730	2,178	63,846	243,467
Loans and receivables due from credit institutions	47,787	49,542	0	47,787	0
Loans and receivables due from customers	256,279	261,726	0	12,936	243,343
Securities	5,425	5,462	2,178	3,123	124
Liabilities					
■ Due to credit institutions	100,042	99,020	0	100,042	0
■ Due to customers	230,094	229,469	0	179,169	50,925
■ Debt securities	44,507	44,566	0	44,351	156
■ Subordinated debt	5,242	4,989	0	5,242	0

Note 35 Outstandings on related party transactions

	06/30/2026		12/31/2025	
	Associates (companies accounted for using the equity method)	Parent company	Associates (companies accounted for using the equity method)	Parent company
Assets				
■ Financial assets at fair value through profit or loss	341	28	111	38
■ Hedging derivate instruments	0	627	0	691
■ Financial assets at FVOCI	0	0	3	0
■ Financial assets at amortized costs	4,555	31,810	4,377	28,803
■ Other assets	0	33	0	26
Liabilities				
■ Due to credit institutions	331	84,101	290	80,791
■ Hedging derivate instruments	0	334	0	466
■ Liabilities at fair value through profit or loss	269	8	8	3
■ Due to customers	5,911	186	4,395	190
■ Debt securities	2,485	1,010	2,444	1,042
■ Subordinated debt	0	4,751	0	4,989
Off-balance sheet				
■ Financing commitments given	0	334	0	35
■ Guarantee commitments given	0	21	0	20
■ Financing commitments received	0	0	0	1
■ Guarantee commitments received	0	8,761	0	7,991
	06/30/2026		**06/30/2025**	
■ Interest income	42	907	50	887
■ Interest expense	-49	-1,790	-56	-1,778
■ Commission income	285	50	265	58
■ Commission expense	-16	-96	-10	-105
■ Net gains/(losses) on financial assets at FVOCI and FVPL	35	-1	49	49
■ Other income and expenses	0	-4	0	-4
■ General operating expenses	-47	-346	-47	-311

The parent company consists of BFCM, CIC's majority shareholder, Caisse Fédérale de Crédit Mutuel (CFCM), which controls BFCM, and all their subsidiaries.

Relations with the parent company consist primarily of loans and borrowing as part of cash flow management, BFCM being the body for the group's refinancing and IT services invoiced with the Euro-Information entities.

The company accounted for using the equity method is Groupe des Assurances du Crédit Mutuel.

Note 36 Events after the reporting period and other information

None.

5.3 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Period from January 1, 2026 to June 30, 2026

To the Shareholders' Meeting of CIC Crédit Industriel et Commercial S.A.,

Statutory auditors' report on the 2026 interim financial information

In performance of the mission entrusted to us by the 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 the company 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.

The statutory auditors

Paris la Défense, August 5, 2026

KPMG S.A.

Arnaud BOURDEILLE
Partner

Maxime VAN DEN BROEK
Partner

Paris la Défense, August 5, 2026

ERNST & YOUNG et Autres

Vanessa JOLIVALT

Partner

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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.

Principal statutory auditors

Name: Ernst & Young et Autres
Address: 1/2 Place des Saisons, 92400 Courbevoie - Paris La Défense Cedex
Represented by Vanessa Jolivalt
Start of first term: May 26, 1999
Current term of office: six fiscal years with effect from May 10, 2023
Expiry of this term of office: at the end of the Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2028.

Name: KPMG SA
Address: Tour Eqho - 2, avenue Gambetta, 92066 Paris La Défense Cedex
Represented by Arnaud Bourdeille and Maxime Van Den Broek
Start of first term: May 25, 2016
Current term of office: six fiscal years with effect from May 10, 2022
Expiry of this term of office: at the end of the Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2027.

7

Capital and legal information

7.1 SHARE CAPITAL

At June 30, 2026, the share capital amounted to €611,858,064. It is divided into 38,241,129 shares each with a nominal value of €16, all of the same class and fully paid up.

There was no change in share capital for the period covered by the historical financial information.

CIC has no unissued authorized capital or exchangeable or redeemable convertible bonds granting access to capital.

CIC shares are not listed or traded on any market.

8

Additional information

8.1 DOCUMENTS AVAILABLE TO THE PUBLIC

This amendment of the universal registration document is available on CIC's website (www.cic.fr) and on the Autorité des marchés financiers (AMF - French Financial Markets Authority) website (www.amf-france.org).

The same holds true for all reports and historical financial information. The information provided on the website does not form part of the universal registration document or this amendment.

Any person wishing to obtain additional information on CIC can ask for the documents, with no obligation to commit:

- by postal mail: CIC – Relations extérieures 6, avenue de Provence – 75009 Paris, France
- by email: compresse@cic.fr

The charter, the articles of association, the minutes of the shareholders' meetings and the reports may be accessed at the registered office: 6, avenue de Provence in Paris 9th (General Secretariat).

8.2 PERSON RESPONSIBLE FOR THE DOCUMENT

Mr. Éric Charpentier,

Chief Executive Officer

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 104 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.

Paris, August 6, 2026

8.3 PERSONS RESPONSIBLE FOR AUDITING THE FINANCIAL STATEMENTS

The statutory auditors, Ernst & Young et Autres, and KPMG SA, belong to the Regional Institute of statutory auditors of Versailles (Compagnie régionale des commissaires aux comptes de Versailles).

Principal statutory auditors

Name: Ernst & Young et Autres
Address: 1/2 Place des Saisons, 92400 Courbevoie - Paris La Défense Cedex
Represented by Vanessa Jolivalt
Start of first term: May 26, 1999
Current term of office: six fiscal years with effect from May 10, 2023
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Name: KPMG SA
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Represented by Arnaud Bourdeille and Maxime Van Den Broek
Start of first term: May 25, 2016
Current term of office: six fiscal years with effect from May 10, 2022
Expiry of this term of office: at the end of the Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2027.

8.4 CROSS-REFERENCE TABLES

8.4.1 Cross-reference table of the 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**	**101**	**611**
2.	**Statutory auditors**	**101**	**612**
3.	**Risk factors**	**28-35**	**234-242**
4.	**Information about the issuer**	**106**	**609**
5.	**Business overview**		
5.1	Main activities	3; 11-23	6-7; 10; 14-25
5.2	Main markets	63-64	6-7; 10; 509-512
5.3	Significant events in business development	23	45
5.4	Strategy and objectives	23	11
5.5	Degree of dependence with respect to patents or licenses, industrial, commercial or financial agreements or new manufacturing processes	N/A	609
5.6	Elements on which the declarations of the issuer concerning its competitive position are based	N/A	14-25; 37-42
5.7	Investments	13	N/A
6.	**Organizational structure**		
6.1	Description of the group	3	13
6.2	Main subsidiaries	3; 63-64	13; 560-605
7.	**Review of the financial position and of net profit or loss**		
7.1	Financial position	11-23	27-47
7.2	Operating income	11-23	27-47
8.	**Cash and equity**		
8.1	Information on the issuer's equity	40	487
8.2	Source and amount of the issuer's cash flows	42	488
8.3	Information on the borrowing conditions and the issuer's financing structure	11-14	N/A
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 honor the commitments set out in point 5.7.2	N/A	N/A
9.	**Regulatory environment**	**7**	**28-33**
10.	**Information on trends**	**23**	**45**
11.	**Profit forecasts or estimates**	**N/A**	**N/A**
12.	**Administrative, management, supervisory and executive bodies**		
12.1	Information concerning the members of CIC's administrative and management bodies	25	202
12.2	Conflicts of interest concerning the administrative, management, supervisory and executive bodies	N/A	217
13.	**Compensation and benefits**	**N:A**	**222; 224**
14.	**Operation of the administrative and management bodies**		
14.1	Expiration date of current terms of office	25-26	204-217
14.2	Service agreements binding the members of the administrative bodies to the issuer or to one of its subsidiaries	N/A	217
14.3	Information on the Auditing committee and the remuneration committee	N/A	221
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	203
14.5	Potentially significant impacts on corporate governance	N/A	201-217
15.	**Employees**		

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
15.1	Number of employees	89	546
15.2	Interests in the issuer's share capital and directors' stock-options	N/A	N/A
15.3	Agreement providing for employee ownership of the issuer's shares	N/A	N/A
16.	**Major shareholders**		
16.1	Shareholders holding more than 5% of the share capital or voting rights	N/A	607
16.2	Existence of different voting rights of the aforementioned shareholders	N/A	608
16.3	Control of the issuer	N/A	607
16.4	Knowledge by the issuer of an agreement likely to result in a change in control at a later date	N/A	N/A
17.	**Related-party transactions**	**62 ; 94**	**N/A**
18.	**Financial information on the issuer's assets and liabilities, financial position and results**		
18.1	Historical financial information	36-95	483-560; 613; 560-605
18.2	Interim and other financial information	36-95	N/A
18.3	Verification of the annual historical financial information	95	560-605
18.4	Pro forma financial information	N/A	45; 484
18.5	Dividend distribution policy	N/A	608
18.6	Legal or arbitration proceedings	35	386
18.7	Material change in the financial position	N/A	609
19.	**Additional information**		
19.1	Share capital	99	607
19.2	Charter and articles of association	N/A	609
20.	**Major contracts**	**N/A**	**609**
21.	**Documents available to the public**	**101**	**609; 610**

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 annual and consolidated financial statements as well as the group's management report for the fiscal year ended December 31, 2025, and the statutory auditors' reports on the annual and consolidated financial statements at December 31, 2025, presented respectively on pages 27 to 47, 225 to 482, 48 to 200, 483 to 554, 555 to 559 and 601 to 604 of the Universal Registration Document No. D. 26-0234 (https://www.cic.fr/telechargements/institutionnel/cic/programmes-emissions/CIC_URD_2025_ANGLAIS.pdf) filed with the *Autorité des marchés financiers* (AMF - French Financial Markets Authority) on April 8, 2026;
- the annual and consolidated financial statements as well as the group's management report for the fiscal year ended December 31, 2024, and the statutory auditors' reports on the annual and consolidated financial statements at December 31, 2024, presented respectively on pages 27 to 47, 276 to 537, 48 to 251, 538 to 607, 608 to 612 and 655 to 659 of the Universal Registration Document No. D. 25-0275 (https://www.cic.fr/telechargements/institutionnel/cic/programmes-emissions/CIC_URD_2024_ANGLAIS.pdf) filed with the *Autorité des marchés financiers* (AMF - French Financial Markets Authority) on April 10, 2025;
- the annual and consolidated financial statements as well as the group's management report for the fiscal year ended December 31, 2023 and the statutory auditors' reports on the annual and consolidated financial statements at December 31, 2023, presented respectively on pages 29 to 49, 197 to 470, 51 to 170, 473 to 547, 548 to 552 and 595 to 598 of the Universal Registration Document No. D. 24-0275 (https://www.cic.fr/telechargements/institutionnel/cic/programmes-emissions/Universal_Registration_Document_CIC_2023.pdf) filed with the *Autorité des marchés financiers* (AMF - French Financial M on April 11, 2024;

The chapters of the Universal Registration Documents No. D. 26-0234, No. D. 25-0275 and No. D. 24-0275 not referred to above are either not applicable for the investor or covered elsewhere in this Universal Registration Document.

8.4.2 Cross-reference table of the interim financial report

Pursuant to Article 212-13 of the AMF general regulation, this universal registration document includes the information from the interim financial report mentioned in Article L. 451-1-2 of the French monetary and financial code and Article 222-4 of the AMF general regulation.

Website

www.cic.fr

Financial information officer

Mr. Alexandre Saada

Chief Financial Officer of Crédit Mutuel Alliance Fédérale

Deputy Chief Executive Officer of BFCM

Edition

BFCM

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This first Amendment to the Universal Registration Document has also been published in French.

Construisons pour que le monde bouge.

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