Information notice on the conclusion of a regulated agreement pursuant to Article L. 22-10-13 and R. 22-10-17 of the French Commercial Code

French tax consolidation agreement

Related parties:

MESSRS. Dominique LEFEBVRE, Raphaël APPERT, Pierre CAMBEFORT, Jean-Pierre GAILLARD, Pascal LHEUREUX, Olivier DESPORTES, Olivier AUFFRAY, Eric VIAL and Ms Gaëlle REGNARD, Nicole GOURMELON, Christine GANDON, Chairman or Directors of Crédit Agricole S.A. and Chairmen, Chief Executive Officers of Crédit Agricole Mutuel Regional Banks and for Mr Raphaël APPERT, also First Vice-President of the Fédération Nationale du Crédit Agricole.

Background:

This agreement governs the relationship between CASA and the CRCAs within the framework of the tax consolidated group, for which CASA is the ultimate company. The GCA tax consolidated group requires an agreement to operate, which defines how the group's overall tax burden is allocated among the entities.

As the previous agreement expired at the end of 2024, CASA's Board of Directors will need to approve a new agreement to cover 2025 and subsequent years.

Terms and conditions:

Since 2010, the tax consolidated group's agreement between CASA and the CRCAs have been based on two principles:

- Legal principle of neutrality: No CRCA shall pay more tax than it would have paid if it were not part of the tax group.
- Contractual principle of dividend gain reallocation: Since 2016, 100% of the dividend-related tax gain has been redistributed.

This new agreement must structurally address the issue of any exceptional corporate tax contributions or surcharges, where the rate varies depending on the taxpayer's revenue.

This situation may result in a surcharge for the parent company due to the rate differential between the surcharge paid by CASA (at the highest rate) for the GCA tax group and the contribution paid by the CRCAs:

- The allocation of this surcharge between the CRCAs and CASA must respect the neutrality principle (no entity should bear more tax than it would outside the integration).
- A proportional allocation between the CRCAs and CASA on the other, based on the benefits each group derives from the integration, ensures compliance with this principle.
- For the duration of this new agreement (5 years), the surcharge will be split 50/50 between CASA and the CRCAs.

Reasons justifying the interest of the agreement for the company:

- Commitment by the CRCAs to contribute to the Group's corporate tax and surcharge

- Commitment by CASA to redistribute the corporate tax gains on dividends