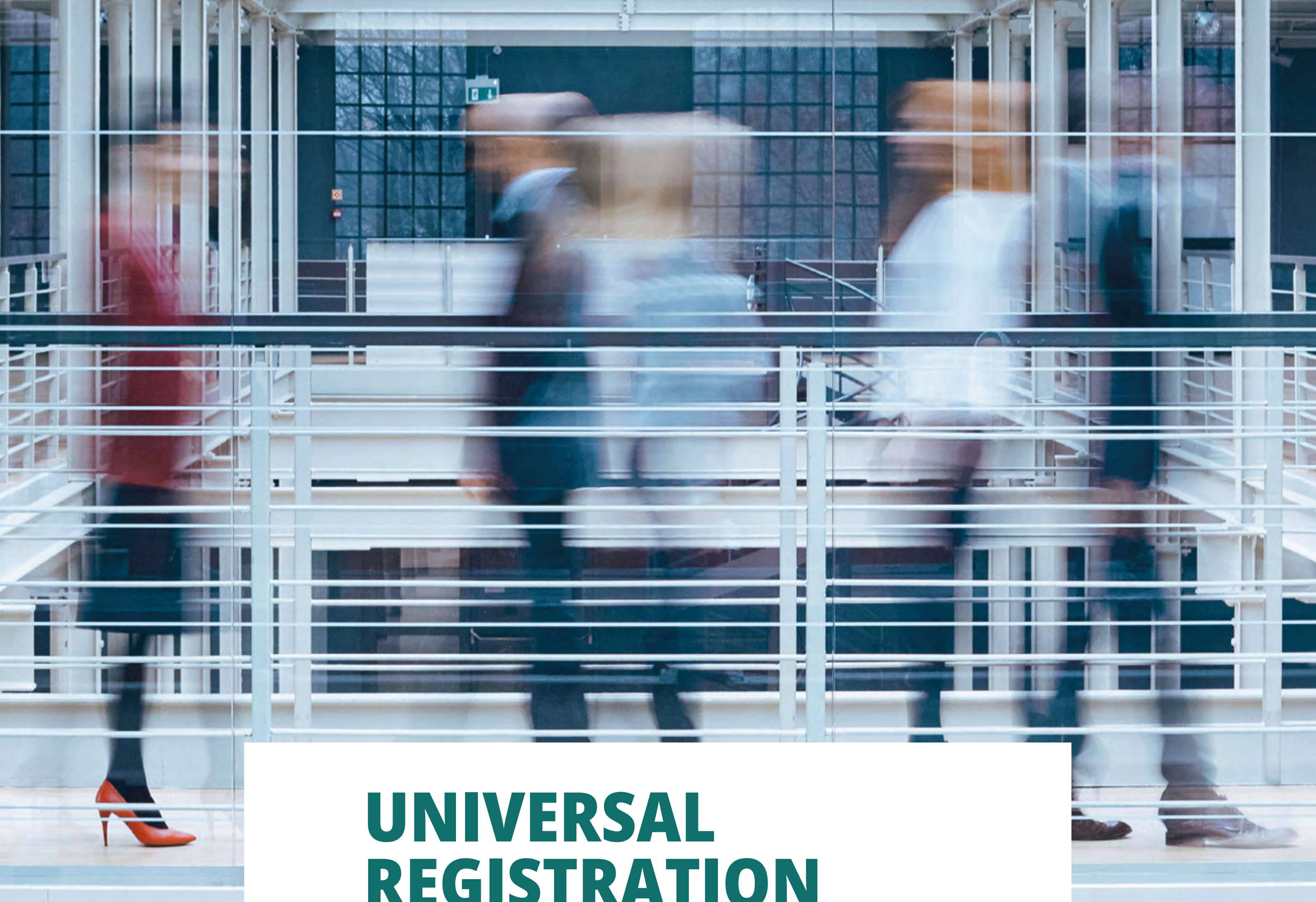
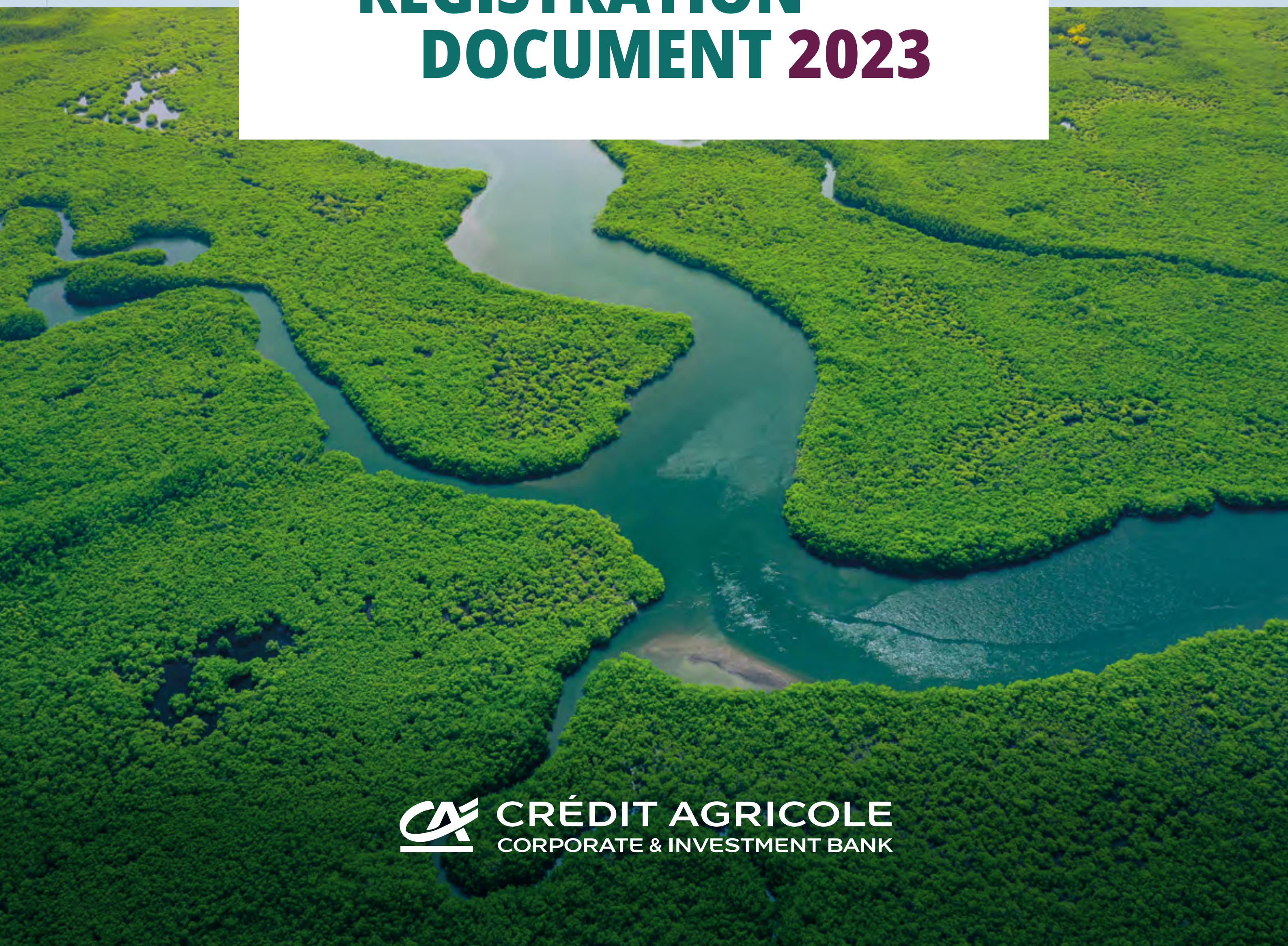


UNIVERSAL REGISTRATION DOCUMENT 2023



CRÉDIT AGRICOLE
CORPORATE & INVESTMENT BANK

CONTENTS

ANNUAL FINANCIAL REPORT

UNIVERSAL REGISTRATION DOCUMENT 2023

AUTORITÉ DES MARCHÉS FINANCIERS

AMF

The Universal Registration Document has been filed on 25th March 2024 with AMF, as competent authority under Regulation (UE) 2017/1129, without prior approval pursuant to Article 9 of the said regulation.

The Universal Registration Document may be used for the purposes of an offer of securities to the public or admission of securities to trading on a regulated market if completed by a securities note and, if applicable, a summary and any amendments to the Universal Registration Document. The whole is approved by the AMF in accordance with Regulation (EU) 2017/1129.

This is a translation into English of the Universal Registration Document of the Company issued in French and it is available on the website of the Issuer.

S

RANKINGS AND KEY FIGURES

46
countries

54
million
customers

Number 1
provider of financing to the French economy
Internal source: ECO 2023

Number 1
European asset manager
Source: IPE "Top 500 Asset Managers", June 2023

8,250
branches, including

6,750
in France, Regional Banks and LCL

Number 1
insurer in France
Source: L'Argus de l'assurance, 13 December 2023 (data at end-2022)

Number 1
retail bank
in the European Union
Based on number of customers

10th
largest global bank
by balance sheet size
Source: The Banker 2023

11.8
million mutual shareholders

Number 1
cooperative mutual bank in the world
Source : The 2023 World Cooperative Monitor, January 2024 (in revenues)

GROUP PERIMETER

CRÉDIT AGRICOLE GROUP INCLUDES CRÉDIT AGRICOLE S.A. AS WELL AS ALL OF THE REGIONAL BANKS AND LOCAL BANKS AND THEIR SUBSIDIARIES.

REGIONAL BANKS

11.8M **mutual shareholders** who hold mutual shares in the

2,395 **Local Banks**

39 **Regional Banks** who together hold the majority of the share capital of CRÉDIT AGRICOLE S.A. via **SAS Rue La Boétie** (1)

→ hold **100%** of SACAM Mutualisation

← holding **25%** of the Regional Banks

↔ **Political link** Fédération nationale du Crédit Agricole(2)

holding

59.7% (4)

FLOAT

23.8% **Institutional investors**

9.2% **Individual shareholders**

6.5% **Employee Share Ownership Plans (ESOP)**

NS(3) **Treasury shares**

holding

40.3%

CRÉDIT AGRICOLE S.A.

ASSET GATHERING AND INSURANCE

CRÉDIT AGRICOLE ASSURANCES

Amundi ASSET MANAGEMENT

INDOSUEZ WEALTH MANAGEMENT

RETAIL BANKING

CRÉDIT AGRICOLE ITALY

LCL

CRÉDIT AGRICOLE POLAND, UKRAINE, EGYPT

SPECIALISED FINANCIAL SERVICES

CRÉDIT AGRICOLE CONSUMER FINANCE

CRÉDIT AGRICOLE LEASING & FACTORING

LARGE CUSTOMERS

CRÉDIT AGRICOLE CORPORATE & INVESTMENT BANK

CACEIS INVESTOR SERVICES

SPECIALISED BUSINESSES AND SUBSIDIARIES

CRÉDIT AGRICOLE GROUP INFRASTRUCTURE PLATFORM

CRÉDIT AGRICOLE TRANSITIONS & ÉNERGIE

CRÉDIT AGRICOLE CAPITAL INVESTISSEMENT & FINANCE

IDIA CAPITAL INVESTISSEMENT

BFOR BANK

CRÉDIT AGRICOLE IMMOBILIER

CRÉDIT AGRICOLE PAYMENT SERVICES

uni_médias

1. *The Regional Bank of Corsica, 99.9% owned by Crédit Agricole S.A., is a shareholder of SACAM Mutualisation.*
2. *The Fédération nationale du Crédit Agricole (FNCA) acts as a think-tank, a mouthpiece and a representative body for the Regional Banks vis-à-vis their stakeholders.*
3. *Non-Significant: 0.8% treasury shares, including buy-backs in 2023 that will be cancelled in 2024.*
4. *Excluding information made to the market by SAS Rue La Boétie in August 2023, regarding its intention to purchase by the end of the first half of 2024 Crédit Agricole S.A. shares on the market for a maximum amount of €1 billion.*

Our business model:
Acting for tomorrow by supporting our clients

Our resources

STRONG VALUES

- Leader in sustainable finance activities and a desire for increasing commitment: strong CSR commitments
- Long-term support for our clients to finance the real economy
- All our employees: our key asset

RECOGNISED EXPERTISE

POSITION

CAPITAL MARKETS

- 1st — All French corporates bonds in EUR (1)
- 2nd — All Bonds in EUR Worldwide (1)
- 2nd — Green, Social & Sustainable bonds in EUR Worldwide (2)

FINANCING ACTIVITIES

- 2nd — Syndicated loans in France (1)
- 3rd — Syndicated loans in EMEA (1)

(1) Source : Refnitiv - (2) Source : Bloomberg

AWARDS WINNING FRANCHISE

- GTR Global Trade Review — Best Trade Finance Bank in Western Europe
- GlobalCapital — Covered Bond House of the Year
- IFR — Euro Bond House
- IFR — EMEA ESG Financing House of the Year
- Risk Awards — Structured Products House of the Year
- Asia Risk — Derivatives House of the Year, Hong Kong
- Global Finance — Best Bank in Monaco for CFM Indosuez Wealth Management

A STRONG DIVERSITY ...

... of our employees and an international network:

12,661
including **3,074** in Wealth management

55% international

43.3% women

... of business lines:

• **A Corporate and Investment Bank ...**
Oriented towards corporate finance **35%** in Financial institutions and **65%** corporates with **66%** in financing solutions and **34%** in hedging, investment and advisory solutions and **focused** on Europe with a global network.

• **A Wealth management,** proposing a tailor-made approach that enables each of our customers to manage, protect and transfer their wealth as closely as possible to their aspirations.

OUR CAPITAL

12.6%
Crédit Agricole CIB's fully loaded CET1

€29.9 Bn
Crédit Agricole CIB equity

AFFILIATION WITH A STRONG BANKING GROUP

CRÉDIT AGRICOLE GROUP

in their transition challenges

Our role and ambitions

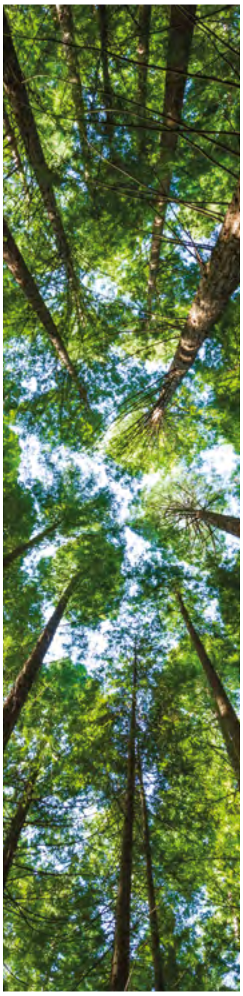
OUR ROLE

- **Supporting** our clients' asset-backed financing projects
- **Meeting their cash management and international business needs as well as those of Receivable & Supply chain finance solutions**
- **Arranging** syndicated loans
- **Innovating** in CSR solutions
- **Offering** risk hedging, financing and investment solutions involving the market or private investors
- **Advising** our clients in their balance sheet issues
- **Supporting** our clients in managing, structuring, protecting, and transferring their wealth

OUR AMBITIONS

- Societal commitment to energy transition and environment
- A growth model focused on European customers
- Expanding business lines, leveraging on their strengths

Our value creation



CLIENTS

- A dedicated community of experts to support our clients in their ESG strategy
- A specific offer for our ETI customers
- A CIB focused on Europe with a global network serving its major clients

€321.5 M
Outstanding of Social Notes

€4.5 Bn
Outstanding of Green notes and similar debt products

66%
Revenues Europe

RESPONSIBLE EMPLOYER

- Active policy of cultural sponsorship in connection with the societal project of the Crédit Agricole Group
- Ethical culture
- Active policy for young people

80%
Participation rate in the IMR (Accountability Index)

COMMITTED TO SUSTAINABLE FINANCE ACTIVITIES

- Co-founder of the Green Bond Principles
- Global player in Green & Sustainability-linked Loans
- 2nd bookrunner worldwide in euros in green, social and sustainability bonds (1)

€17 Bn
Green asset portfolio (2)

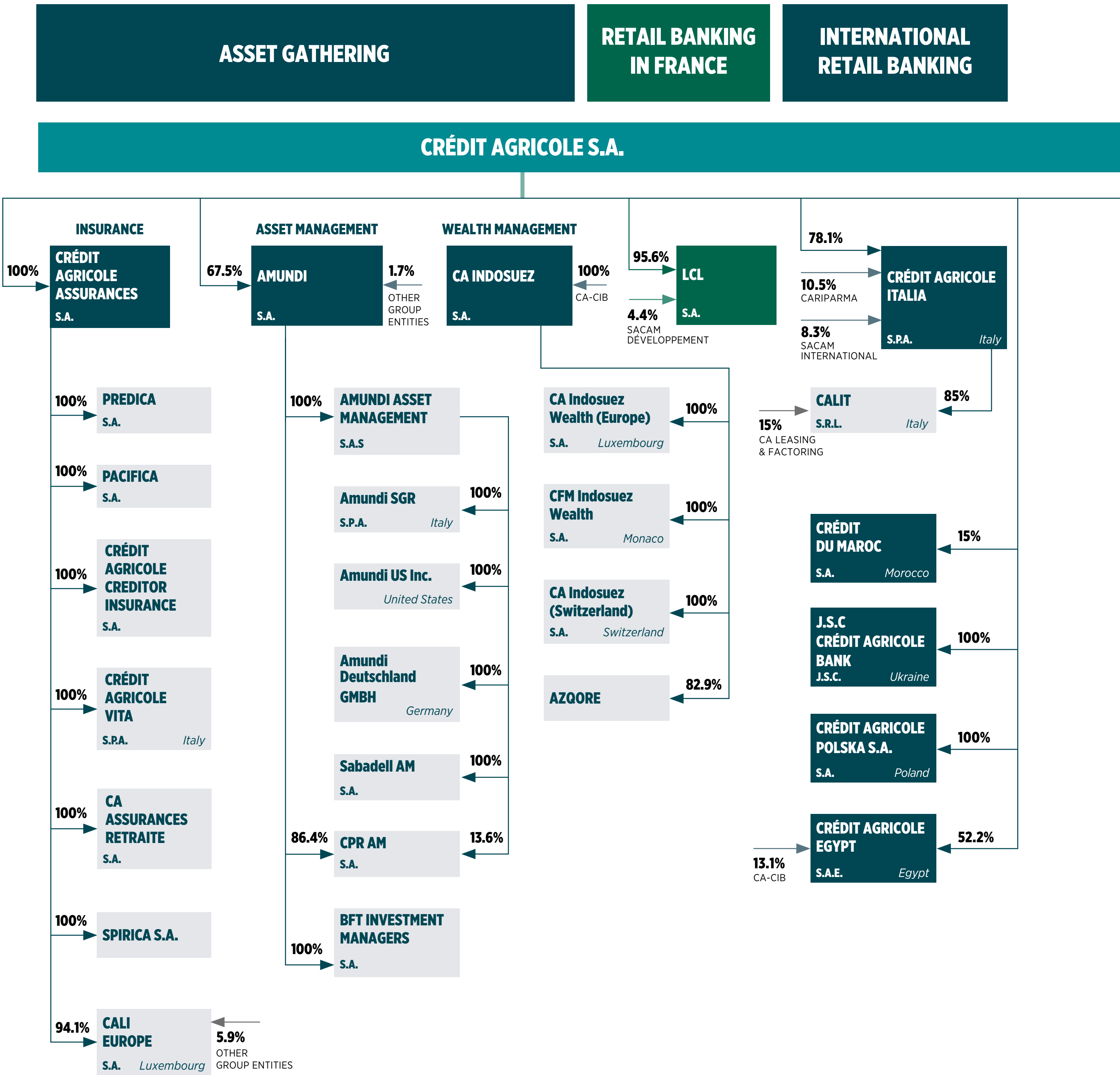
€13.8 Bn
Low-carbon energy exposures

A LONG-TERM DIGITAL STRATEGY TO SUPPORT OUR CLIENTS' TRANSFORMATIONS

(1) Source Bloomberg.
(2) Green asset portfolio aligned with the eligibility criteria of the new Group Green Bond Framework and 100% aligned with the European taxonomy.

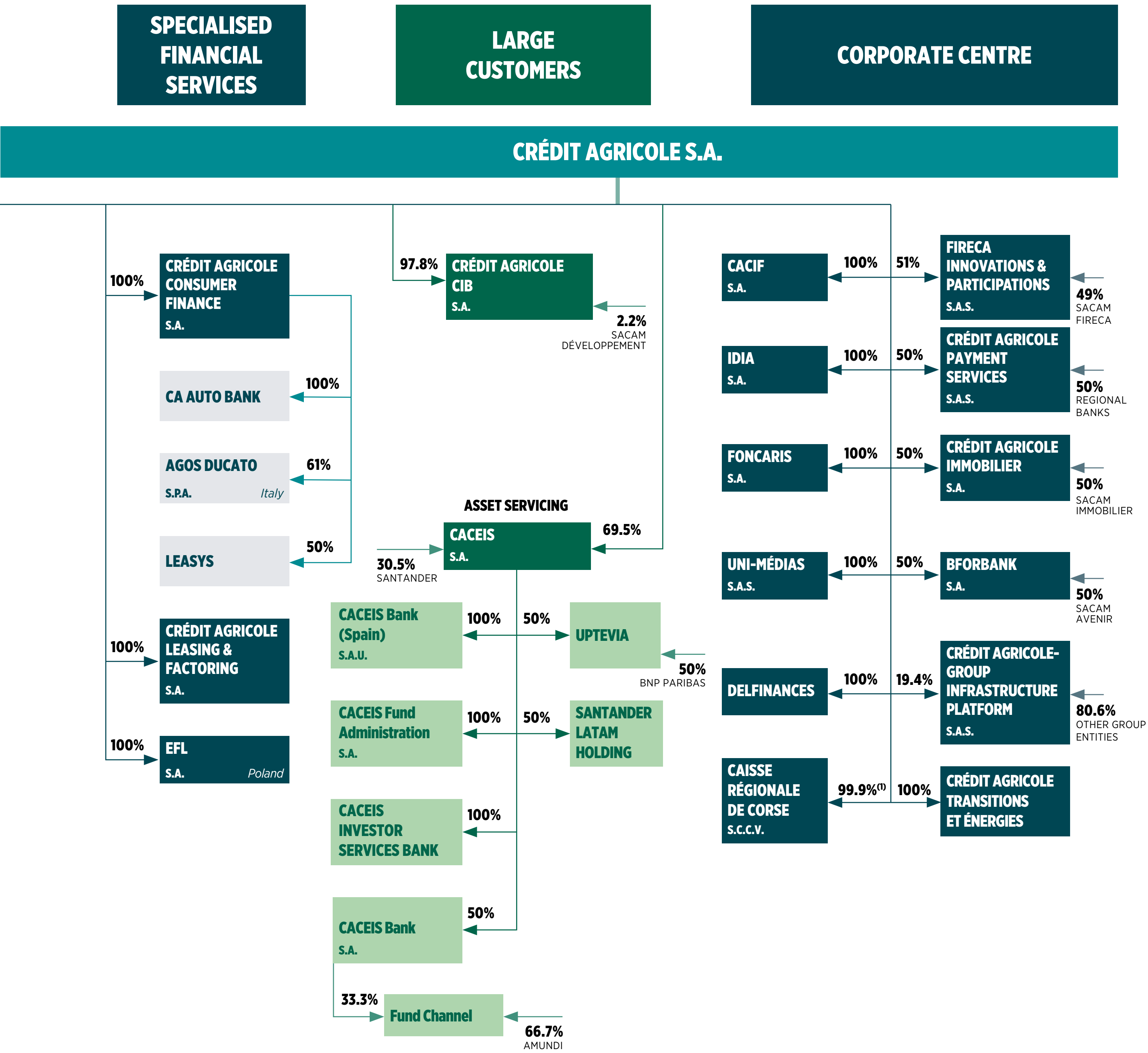
CRÉDIT AGRICOLE S.A.

% OF OWNERSHIP INTEREST [(1)]



(1) Percentage of direct ownership interest of Crédit Agricole S.A. and its subsidiaries, excluding treasury shares.

AT 31 DECEMBER 2023



(1) Percentage of control.

Note: This is a simplified organisation chart that aims to show the main Crédit Agricole S.A. entities. For an exhaustive scope of consolidation, please refer to Note 12; the financial flows between Crédit Agricole S.A. and its subsidiaries are, where necessary, the subject of related-party agreements, which are themselves the subject of a Statutory Auditors' special report; the Crédit Agricole Group's internal mechanisms (particularly those between Crédit Agricole S.A. and the Regional Banks) are detailed in the paragraph "Internal financing mechanisms", which appears in the introduction to the consolidated financial statements.

MESSAGE FROM THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER

PHILIPPE BRASSAC

Chairman of Crédit Agricole CIB's Board of Directors

Crédit Agricole S.A. Chief Executive Officer

Crédit Agricole Group's 2023 financial results are once again very sound, and this continuing success illustrates the strength and resilience of our business model. The performance achieved in each of our business lines stands out even more as it contrasts with the sharp economic slowdown seen over the past year.

This slowdown is set against a global backdrop of instability, caused by three major phenomena that have had an impact on our business activities this year.

First of all, inflation, which was stronger than expected, resulted in central banks hiking their rates at unprecedented speed to control the level of debt, automatically impacting the sectors most prone to rising interest rates, beginning with real estate.

Secondly, the increase in geopolitical tensions and conflicts is forcing banks to better anticipate this category of risk, in the same way that we approach major credit, market and operational risks.

Finally, from an environmental perspective, the idea that current models are neither sustainable nor long-term in nature is gaining ground, and the economic challenges associated with climate change are driving companies to commit to a more sustainable model.

Despite, or perhaps because of, these disruptions, our roadmap has never been so clear and the direction that we need to follow is unambiguous. Crédit Agricole CIB, which is a high-performing and successful corporate and investment bank, while also exercising caution and remaining connected to the entire Group, is an integral part of our ambition.

In 2022, when we presented our Medium-Term Plan, we announced our ambition to make significant progress in our core business lines while, at the same time, accelerating our support for transitions. Changes in the environment have confirmed that this analysis and the choices made at the time were appropriate.

We are therefore continuing with our strategy by establishing very strong collective convictions, in particular the conviction that the driving force behind the Group's growth is its social utility. Crédit Agricole Group is now the tenth largest bank in the world because it has systematically met the major societal challenges that have occurred throughout its history.

It demonstrates the Group's loyalty to its mission: acting in the interests of its clients and society.

We are therefore continuing with our strategy by establishing very strong collective convictions, in particular the conviction that the driving force behind the Group's growth is its social utility. Crédit Agricole Group is now the tenth largest bank in the world because it has systematically met the major societal challenges that have occurred throughout its history.

XAVIER MUSCA

Chief Executive Officer
of Crédit Agricole CIB

Deputy Chief Executive Officer
of Crédit Agricole S.A., in charge
of Large Customers

**Crédit Agricole CIB posted excellent results in 2023, setting new records in terms both of revenue and profitability.
In 2024, we will pursue our development objectives in Europe and continue to harness the growth potential and momentum of the Americas region. We will also continue to shore up our positions in capital markets while staying true to our model focused on our clients' needs.**

Crédit Agricole CIB posted excellent results in 2023, setting new records in terms both of revenue and profitability.

At over €6.3bn, the CIB's revenue rose 10% compared with 2022, with the net income Group share standing at €2,017m as of 31 December 2023, up 23% from 2022.

It was a record year for market and financing activities, with a significant growth in market activities driven by the increase in interest rates and volatility at the start of the year. Corporate investment banking also posted growth despite the turbulent economic environment, in a testament to the resilience of our model. At the same time, we kept our risk level under control.

Looking beyond these results, it is important to note the trend and constancy of our performance. We set a record level of profitability for the third consecutive year, demonstrating the relevance of our strategy, which perfectly responds to the needs of our clients and the Group's clients. Being backed by a solid shareholder with a long-term vision strengthens our ability to roll out new activities and bolsters our growth potential.

In 2024, we will pursue our development objectives in Europe and continue to harness the growth potential and momentum of the Americas region. We will also continue to shore up our positions in capital markets while staying true to our model focused on our clients' needs.

Lastly, we will place a particular focus on the financing of renewable energies. Further key priorities will be to monitor our decarbonisation trajectories, the respect of our climate commitments, and the new regulations coming into place such as the CRSD.

1

PRESENTATION OF CRÉDIT AGRICOLE CIB

1
CONTENTS

INCOME STATEMENT HIGHLIGHTS SUMMARY

€ million	31.12.2023		31.12.2022		31.12.2021	
	Crédit Agricole CIB	Underlying CIB [1]	Crédit Agricole CIB	Underlying CIB [1]	Crédit Agricole CIB	Underlying CIB [1]
Net banking income	**7,317**	**6,333**	6,697	5,764	5,913	5,109
Gross operating income	**2,952**	**2,787**	2,593	2,433	2,219	2,113
Net income Group Share	**2,241**	**2,017**	1,838	1,645	1,691	1,553

[1] Restated in NBI for DVA impacts, FVA impacts liquidity cost, and for Secured lending in Capital Market Activities and for loan hedges in Financing Activities.

BALANCE SHEET AND FINANCIAL STRUCTURE

BALANCE SHEET

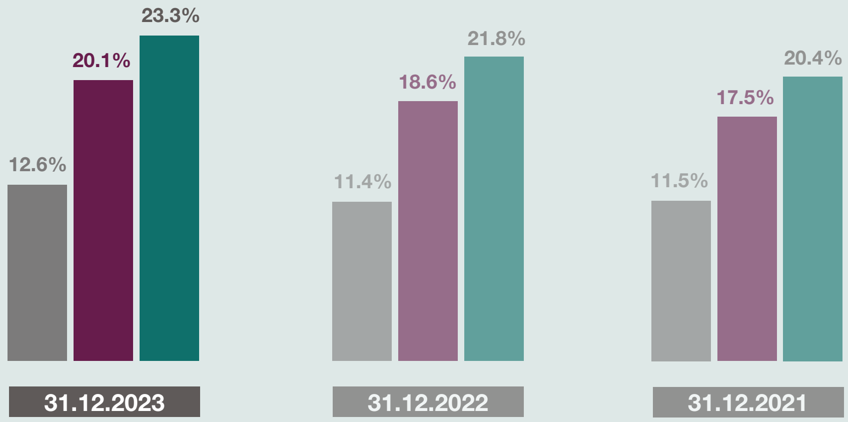
€ billion	31.12.2023	31.12.2022	31.12.2021
Total assets	**757.4**	728.2	599.7
Gross loans to customers	**175.2**	182.2	168.4
Assets under management (in Wealth management)	**135.1**	129.9	134.6

FINANCIAL STRUCTURE

€ billion	31.12.2023	31.12.2022	31.12.2021
Shareholder's equity (including income)	**29.9**	28.3	26.5
Fully-loaded Tier one capital	**17.3**	16.2	15.4
Basel III risk-weighted assets	**137.2**	141.7	133.5

FULLY-LOADED SOLVENCY RATIO

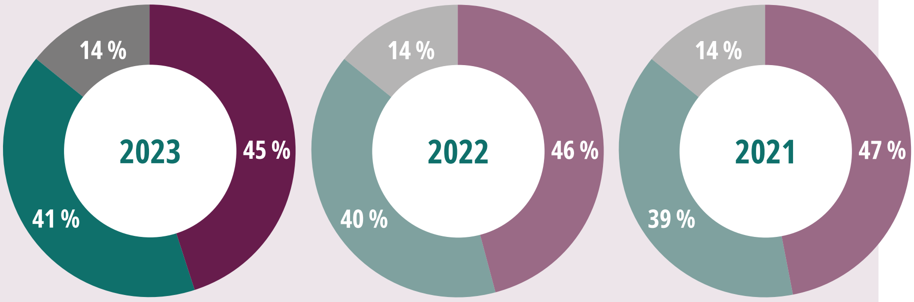
- CET 1 ratio
- Tier one
- Overall



RATINGS

	Short-term	Long-term	Last rating action
Moody's	Prime-1	Aa3 [Stable]	15 December 2023
Standard & Poor's	A-1	A+ [Stable]	26 October 2023
Fitch Ratings	F1+	AA- [Stable]	10 January 2024

BREAKDOWN OF NET BANKING INCOME[1]



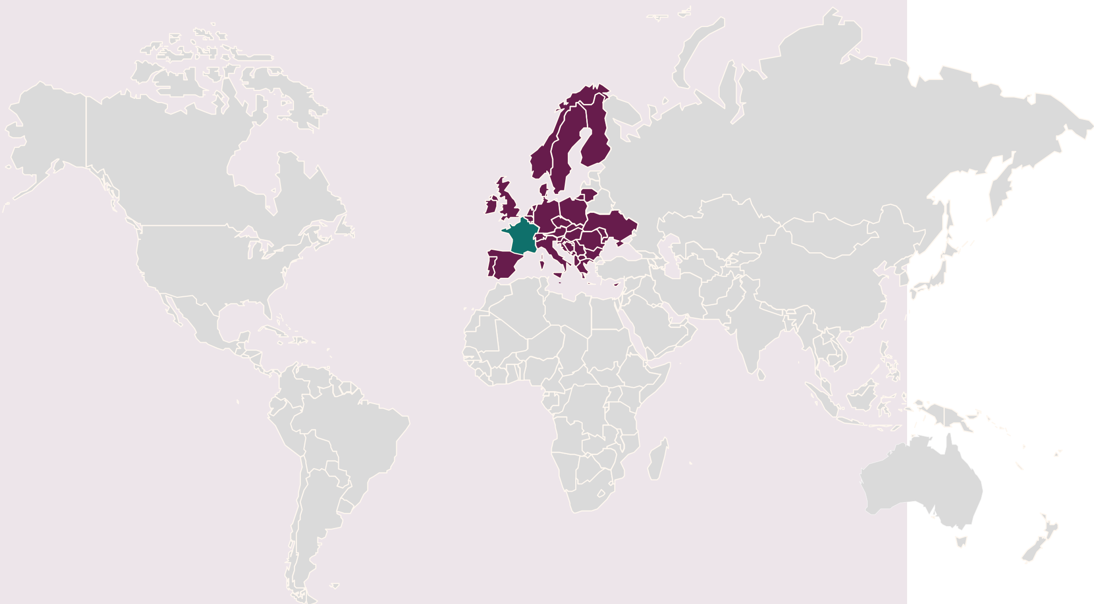
- Wealth management
- Financing activities
- Capital Markets and Investment Banking

[1] Restated in NBI for DVA impacts, FVA impacts liquidity cost, and for Secured lending in Capital Market Activities and for loan hedges in Financing Activities.

A GLOBAL PRESENCE

BREAKDOWN OF NET BANKING INCOME BY GEOGRAPHICAL AREA

	31.12.2023	31.12.2022	31.12.2021
FRANCE	36%	39%	41%
EUROPE excluding France	30%	31%	30%
INTERNATIONAL	34%	30%	29%
TOTAL of NBI (€ million)	**7,317**	**6,697**	**5,913**



HEADCOUNT AT END OF PERIOD FULL-TIME EQUIVALENT

	2023[1]	2022[1]	2021[1]
FRANCE	5,659	5,507	5,176
INTERNATIONAL	7,002	6,996	6,828
TOTAL	**12,661**	**12,503**	**12,003**

[1] Wealth management contributes overall to 3,074 in 2023, 3,008 in 2022, 3,063 in 2021.

1. COMPANY HISTORY

1863
Creation of **Crédit Lyonnais**

1875
Creation of **Banque de l'Indochine**

1885
Creation of the **first local fund in Poligny,** Jura

1894
Law allowing creation of **the first "Sociétés de Crédit Agricole"**, later entitled Caisses Locales ("Local Banks")

1920
Creation of **Office National de Crédit Agricole, that became the Caisse Nationale de Crédit Agricole** (CNCA) in 1926

1945
Nationalisation of Crédit Lyonnais

1959
Creation of **Banque de Suez**

1975
Merger of Banque de Suez and Union des Mines with Banque d'Indochine to form the **Banque Indosuez**

1988
CNCA becomes a public limited company owned by Regional Banks and employees **(*"Loi de Mutualisation"*)**

1996
Acquisition of Banque Indosuez by Crédit Agricole to create **the International Investment Bank** of one of the world's top 5 banking groups

1997
CNCA consolidates within its new subsidiary **Crédit Agricole Indosuez** its international, capital markets and corporate banking activities

1999
Privatisation of Crédit Lyonnais

2001
CNCA changes its name to **Crédit Agricole S.A.** and goes public on 14 December 2001

2003
Successful **mixed takeover bid** on Crédit Lyonnais by Crédit Agricole S.A.

2004
Creation of **Calyon**, the new brand and corporate name of the Crédit Agricole Group's financing and investment banking business, through a partial transfer from Crédit Lyonnais to Crédit Agricole Indosuez

06 FEBRUARY 2010
Calyon changes its name and becomes **Crédit Agricole Corporate and Investment Bank**

2. 2023 HIGHLIGHTS

2023 was characterized by a market environment that remained complex throughout the year, marked by many uncertainties and interrogations about the evolution of inflation and the action of central banks in terms of monetary policy.

For **financial markets**, 2023 was a period of adjustment and transition with a particular focus on the balance between fighting inflation and supporting economic growth.

The advanced economies showed, nevertheless, unexpected resilience thanks to a range of shock absorbers, used to varying degrees, that included different stress : savings accumulated during the Covid pandemic, sound private balance sheets, a tight labour market, investment spurred by public policy and lower sensitivity to interest rate shock. These economies withstood persistently high inflation, severe monetary tightening and a disappointing recovery in China better than had been expected. They also continued to develop against a global backdrop of major geopolitical uncertainties, such as the ongoing war in Ukraine and the emergence of the Israeli-Palestinian conflict in October.

Inflation, while remaining high, continued its decline in 2023 with an acceleration at the end of the year, thanks to base effects that played a favorable role, notably in relation to the decline in energy prices. Value chains, congested at the end of the Covid pandemic due to demand very quickly outpaced supply, and commodity markets, disrupted by the war in Ukraine, gradually returned to normal. Energy, manufacturing and food commodity prices fell, as did transport costs. This upstream disinflation led to a rapid and largely automatic fall in headline inflation.

To fight against the high inflationary risk, the central banks have remained on high alert and adopted a policy of monetary tightening, mainly through interest rate increases. In the United States, after having raised the target range for the federal funds interest rate by 425 basis points in 2022, the **Federal Reserve** maintained its monetary tightening, albeit less aggressively (100 basis points, taking the upper bound to 5.50% in July 2023). In the Eurozone, the **European Central Bank** carried on with its own monetary tightening with increases totalling 200 basis points, this put refinancing and deposit rates at 4.50% and 4% respectively from September 2023 onwards.

All these factors have changed the behavior of economic players and generated volatility on the markets, creating risks but also opportunities for Crédit Agricole CIB's activities.

Against this backdrop, **Crédit Agricole CIB posted excellent results**, marking new record highs in both revenues and profitability. Crédit Agricole CIB's revenues reached a very high level, up +11%(1) compared to 2022. The excellent commercial performance on all product lines of Capital Markets (+16% compared to 2022) and Financing Activities (+8% compared to 2022) illustrates once again this year the strong complementarity of Crédit Agricole CIB's two business lines and the relevance of its business model.

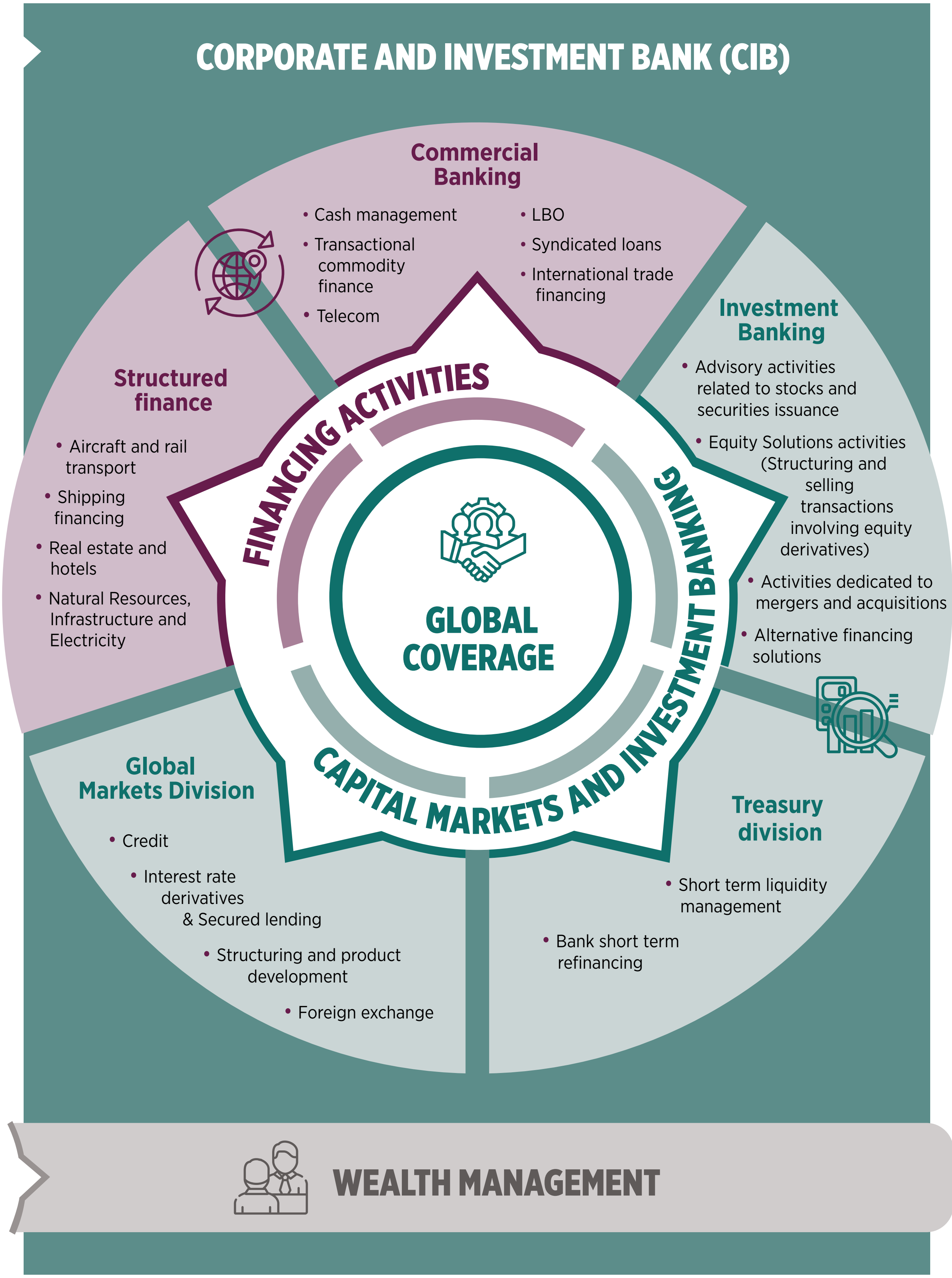
In 2023, Crédit Agricole CIB reaffirms its leading positions in both bond issues by maintaining its first rank in French Corporate(2) issues in France for the fifth consecutive year, taking the second position worldwide in All Bond issues in EUR(3) and the second position in Green, Social and Sustainability bonds in EUR(4) ; similar trend observed in se syndication activities by positioning second bookrunner by volume in Syndicated Loans in France and third in EMEA(5) .

In 2023, Crédit Agricole CIB maintained its organic growth and investment strategies and posts a cost/income ratio (excluding the SRF contribution) at 51.7%(6). The cost of risk remained under control over the year despite a tense and uncertain geopolitical climate, down sharply compared to 2022, which included allocations from the Russia/Ukraine conflict.

Having joined the Net Zero Banking Alliance (NZBA) in July 2021 aiming at carbon neutrality by 2050, the Crédit Agricole Group set itself, in December 2022, intermediate targets for 2030 and action plans on five sectors to achieve this target. **In December 2023, the Crédit Agricole Group, in a more ambitious approach, has set additional targets for five new sectors.** On the 10 sectors published by the Group, 8 concern Crédit Agricole CIB, which is thus in line with the Group's decarbonization trajectories. Initially, these sectors include oil and gas, electricity, automotive, commercial real estate and cement, to which the steel, aviation and shipping sectors have been added since December 2023. **Additionally, in December 2023, Crédit Agricole CIB also committed to** increasing exposure to low-carbon energy by 80%(7) by 2025 (compared to 2022), and to reducing emissions financed from the Oil & Gas sector by -75% by 2030 (compared to the target of -30% announced in 2022).

(1) Underlying revenues, excluding the impact of specific items (see details provided in Chapter 4 of this Universal Registration Document).
(2) Source : Refinitiv N8.
(3) Source : Refinitiv N1.
(4) Source : Bloomberg.
(5) Source : Refinitiv R17.
(6) CIB business line in underlying view.
(7) The exposure used is the Exposure At Default (EAD). The allocation percentage is on capital expenditure.

3. CRÉDIT AGRICOLE CIB'S BUSINESS LINES



3.1. Financing Activities

The Financing activities includes the activities of Structured Finance and Commercial Banking. In 2023, it recorded underlying net banking income [(1)] of €3,296 million, i.e. 52% of CIB's underlying net banking income.

Structured Finance (Energy & Real Assets)

The Structured Finance business line's underlying net banking income reached €1,213 million in 2023.

The main tasks of the Energy & Real Assets (ERA) are to originate, advise, structure and finance, in France and abroad, investment transactions often based on real collateral (aircraft, boats, corporate real estate, commodities, etc.) or complex and structured loans, primarily in the mobility, real estate, natural resources, electricity and infrastructure sectors, as well as for the energy transition. The ERA division strives to maintain excellence in the quality of services provided and to optimise consumption of risk-weighted assets and liquidity by improving asset rotation and diversifying distribution channels.

In 2023, while actively managing risks in a deteriorated economic environment that had a significant impact on certain sectors, structured financing activities maintained their positions on their markets. Crédit Agricole CIB ranks #5 in project finance worldwide [(2)] and #1 in the EMEA region [(3)].

ASSET FINANCE GROUP

◆ Air and rail transport

Operating for more than forty-eight years in the aviation sector, and boasting an excellent reputation on the markets, Crédit Agricole CIB has always focused on the long-term by striving to establish longstanding relationships with major airlines, airports and companies providing air transport-related services (maintenance, ground services, etc.) in order to understand their priorities in terms of business activity and financing needs.

Crédit Agricole CIB has been active in the rail transport sector in New York, Frankfurt and Paris for many years and is continuing to expand its offering in Europe.

◆ Shipping finance

For over forty years, Crédit Agricole CIB has financed ships for French and foreign shipowners, building up solid expertise and a global reputation in the industry as an arranger and agent. Over the years Crédit Agricole CIB has built a dedicated global network of seven regional shipping teams based in most strategic shipping clusters across the world: Hamburg, Hong-Kong, London, Oslo, New York, Piraeus and Paris. Thanks to this network, Crédit Agricole CIB has a diversified customer base and benefits from a unique access to information on these markets. Crédit Agricole CIB supports a modern and diversified fleet of more than 1,450 ships for international shipowners.

Crédit Agricole CIB is proud to be a signatory since 2019 of the Poseidon Principles, a pioneering initiative launched by international banks active in the shipping sector to support the transition to a low-carbon and climate-resilient economy.

◆ Real Estate and hotel

The Real Estate and hotel division operates in 10 countries. Crédit Agricole CIB, leading player in the real estate financing sector, deals with the key national and international players in the office, commercial and logistics real estate sectors, as well as with family holding companies. It also offers its products and services to international hotel groups and other clients related to this sector.

ENERGY & INFRASTRUCTURE GROUP

◆ Natural Resources, Infrastructure and Electricity

Crédit Agricole CIB offers advisory, arrangement and underwriting services for complex and innovative financial arrangements in the natural resources, electricity generation (particularly renewable energy) and distribution sectors, the environment (water services, waste treatment), and infrastructure in all geographical areas.

Crédit Agricole CIB provides debt financing such as export-backed facilities, multilateral financing or public and private debt markets, alongside other commercial banks and credit providers.

This division operates worldwide and has regional centers of excellence in Paris, London, Madrid, Milan, New York, Houston, Singapore, Hong-Kong, Tokyo, Sydney, Melbourne and Sao Paulo.

Commercial Banking

For full year 2023, Commercial Banking posted underlying net banking income [(1)] of €2,082 million.

INTERNATIONAL TRADE & TRANSACTION BANKING (ITB)

Crédit Agricole CIB offers its importing and exporting clients assistance in the management of their international trade and transaction banking needs. The ITB division relies on a commercial network of specialists in more than 20 locations, across six global product lines.

More specifically, ITB offers products in export finance (export contract financing solutions), global commodity finance, trade finance (financing and securing international trade and trade transactions), receivable and supply chain finance solutions (financing of accounts receivable and suppliers), cash management *(*cash flow management and payments).

(1) Restated for DVA impacts, FVA liquidity cost and secured lending for -€15 million in Capital Markets and Investment Banking and for loan hedges for -€24 million in Financing activities.
(2) Sources Refinitiv X02.
(3) Source Refinitiv X15.

The Commercial Bank in France offers products and services based on the expertise of Crédit Agricole CIB's specialised business lines as well as the capabilities offered by the Crédit Agricole Group's networks (Regional Banks, LCL) and specialised subsidiaries.

CORPORATE & LEVERAGED FINANCE (CLF)

Created in 2022, this division combines Leverage & Telecom activities (formerly part of the Structured Finance division) with Corporate debt origination activities (formerly Debt Optimisation and Distribution, DOD). Its main tasks are to originate, structure, arrange and manage the portfolio of syndicated loans and bilateral lines for corporate clients (large corporates and intermediate sized enterprises). This division also includes acquisition financing, arrangement, the structuring of these offers and the coordination of the execution of transactions. Since June 2023, the private equity fund solutions (financing of the cash flow needs of investment fund) solutions activities, now called Fund Solutions group, have been transferred from ITB.

At the end of 2023, Crédit Agricole CIB continued to post leading positions in these activities, making it number three in syndicated loans in the EMEA zone[(1)] and second position in France [(2)].

Moreover, on a cross-business basis, the Distribution & Asset Rotation (DAR) division was created in mid-2022. Gathering the distribution teams of the former Debt Optimisation & Distribution division (DOD), it is in charge, for Corporate and Financial Institutions clients, of structuring and arranging syndicated loans and medium and long-term billateral facilities. This division is also responsible for underwriting and distributing all syndicated loans (structured or unstructured) on the primary and secondary markets for all of the bank's financing businesses.

3.2. Capital Markets and Investment Banking

Capital Markets and Investment Banking encompasses the Capital Markets and Investment Banking business lines. It generated underlying net banking income[(3)] of €3,038 million in full year 2023, i.e. 48% of CIB's underlying net banking income.

Global Markets Division

The Global Markets Division (GMD) business line recorded underlying net banking income of €2,412 million in 2023.

The Global Markets teams across origination, structuring, securitisation, syndication, research, trading and sales offer a broad range of financial products and solutions on the primary and secondary markets for its corporate and financial institution clients.

With a network of 18 trading floors, including five liquidity centres in London, Paris, New York, Hong-Kong and Tokyo, Crédit Agricole CIB offers its clients a strong position in Europe, Asia and the Middle East, a targeted presence in the United States and additional entry points into local markets.

The Global Markets Division is centred on the following activities:

- Global Markets Trading covers all cash and derivatives products: Macro Trading (Rates, FX, Credit & Commodities underlyings), Non Linear (Fixed Income Non Linear and FX Options);
- Capital Markets Funding offers both private and public funding solutions for its clients, covering primary credit (bond origination and syndicate), securitisation, and strategic equity transactions. In this segment, Crédit Agricole CIB ranked #2 in All Bonds in EUR for 2023[(4)];
- Global Repo & Indexing brings together Repo & Secured Funding, Equity Finance and Delta One activities;
- Global Markets Sales provides both Fixed Income and Equity expertise, servicing all its financial institutions, corporate and Crédit Agricole Group clients;
- Global Markets Structuring supports the bank's clients by offering them integrated tailor-made & multi-asset market;
- a dedicated Global Markets Research team provides customised and cutting edge analysis on markets and products to its clients;
- two transversal divisions support the business: a COO Office covering all market activities and the Transformation & Transversal Group, covering business transformation and scarce resources.

Treasury division

The Treasury business line's underlying net banking income [(3)] reached €164 million for full year 2023.

The Treasury business line hierarchically reports to the Finance, Procurement & Execution Management (FIX) Chief Officer via Execution Management (EXM) and is functionally subordinate, depending on the site, either to the Senior Country Officer, the Chief Financial Officer or the local division managers.

Since 2018, Crédit Agricole CIB and Crédit Agricole S.A. have pooled their Treasury business lines to jointly manage the Group's liquidity risk while observing the regulatory constraints of both legal entities.

The Treasury team ensures the sound and prudent management of the Bank's short-term liquidity on a daily basis, in accordance with the procedures established by the ALM Committees and in compliance with its internal and external constraints (short-term liquidity ratios, prudential ratios, reserves).

In addition, Treasury manages a portfolio of high-quality liquid assets (HQLA) and is also in charge of the bank's short-term issuance programmes (Neu CP / CD / ECP, etc.) and is responsible for the Euribor and CNHbor contribution process.

Treasury is structured around 3 liquidity hubs (Paris, New York, Hong-Kong), 11 Treasury departments and a federal division for

(1) Source: Refinitiv R17.
(2) Source: Refinitiv.
(3) Restated for DVA impacts, FVA liquidity cost and secured lending for -€15 million in Capital Markets and Investment Banking and for loan hedges for -€24 million in Financing activities.
(4) Source : Refinitiv N1.

private banking, allowing the bank to continuously optimise its short-term funding requirements recycle surplus liquidity, primarily by placing it with central banks. Its geographic structure provides access to broad and diversified short-term financing in addition to the long-term funding ensured by the ALM team.

Banque d'Investissement

In 2023, Investment Banking posted underlying net banking income[(1)] of €461 million. Investment Banking comprises all "equity and long-term" financing activities for Crédit Agricole CIB's corporate clients and is structured around five main divisions in the three geographical areas (EMEA, Americas, Asia):

PRIMARY EQUITY CAPITAL MARKETS

The Primary Equity Capital Markets business line is responsible for advising and arranging issues of shares and securities giving access to capital.

In particular, it is in charge of capital increases, secondary market offers and issues of convertible bonds, exchangeable bonds and other hybrid products for the large and mid-cap primary market.

GLOBAL CORPORATE FINANCE

The Global Corporate Finance business line encompasses activities dedicated to mergers and acquisitions, ranging from strategic advice to transaction execution.

More specifically, it works under acquisition or disposal advisory mandates, IPOs or restructuring, strategic financial advice or privatisation advice.

STRUCTURED AND FINANCIAL SOLUTIONS (SFS)

The Structured and Financial Solutions business line offers Crédit Agricole CIB's large clients tailored solutions with high added value in support of their complex finance transactions. In particular, it provides alternative financing solutions to traditional banking transactions and capital market solutions.

EQUITY SOLUTIONS

Since 2016, the Global Investment Banking (GIB) and Global Markets divisions pooled their expertise to create the Equity Solutions business, whose main mission is to expand the range of equity-type investment products by offering structured solutions based on equity derivatives and listed equity financing.

CRÉDIT AGRICOLE MIDCAP ADVISORS

Crédit Agricole Midcap Advisors, a subsidiary of Crédit Agricole CIB, is the Crédit Agricole Group entity specializing in financial advisory services for the managers and shareholders of SMEs and mid-sized companies. A leader in its business lines, with more than 600 transactions advised since its creation, Crédit Agricole Midcap Advisors brings together 45 M&A Midcap advisory experts based in Paris and close to customers in the regions. Its teams have a broad knowledge of the local economic and benefit from significant execution capacities. Crédit Agricole Midcap Advisors also provides its clients with specific sector expertises and international equity capabilities, thanks to Crédit Agricole CIB's teams and its partners abroad. A financial engineering advisory activity and a real estate broker activity (logistics, offices, hotels, etc.) complete its offering for SMEs and mid-sized companies.

3.3. Global Coverage

A department embodying the Bank's client-centric model

Drawing on Crédit Agricole CIB's client-centric approach, the CIB division ensures coverage for the bank's clients, as well as *Sustainable Banking* and de *Global Investment Banking*.

At the centre of the bank's organisational structure, the Coverage is responsible for client income and profitability, manages client relations for the entire bank worldwide, promotes all of the bank's business lines, as well as Crédit Agricole S.A. Group's business lines, and manages the bank's overall exposure by client. Within this division, a dedicated Private Investment Banking team supports family businesses (individual shareholders or family holdings) by drawing on the expertise of Crédit Agricole CIB, Indosuez Wealth Management and all Crédit Agricole Group subsidiaries. In addition, in terms of Islamic financing, Crédit Agricole CIB facilitates access to Shariah-compliant solutions in many segments with a dedicated team in the Gulf.

Within the Sustainable Banking division, the dedicated Sustainable Investment Banking team works closely with Coverage and supports clients in terms of sustainable financing and advisory services. Crédit Agricole CIB is a world leader in green, social & sustainability bonds[(2)], the bank ranked #2 in green, social & sustainability bonds issued in euros at end-December 2023. The Sustainable Banking division is also in charge of establishing Crédit Agricole CIB's decarbonization and CSR strategy, with a dedicated Climate & Sustainability Strategy team.

The main tasks of the Global Investment Banking division, in conjunction with Coverage, are to advise the management teams of the Bank's major clients on their strategic high-balance sheet issues (including the execution of transactions) and to structure and execute specialized financing.

Since March 2021, the Crédit Agricole Group has set up a center of expertise dedicated to Midcaps division considered as strategic for the regions, both in terms of economic dynamism and the location of decision-making centers. Housed within Crédit Agricole CIB, the Midcaps division has been working since March 2021 to roll out an innovative relationship model leveraging on the acquired commercial legitimacy of the Regional Banks, Crédit Agricole CIB and LCL.

(1) Restated for DVA impacts, FVA liquidity cost and secured lending for -€15 million in Capital Markets and Investment Banking and for loan hedges for -€24 million in Financing activities.
(2) Source Bloomberg.

The main missions of International Business Solutions Division (PAI) are:

- to support the Crédit Agricole Group's SME Midcaps division (ETI) customers abroad (mainly the customers of the Regional Banks, LCL and the Crédit Agricole CIB Midcaps division (ETI) in France, those of the Crédit Agricole Group's retail banks abroad) to facilitate its banking operations, local establishment projects and commercial development via the International Desks Network;
- to bring together all the Group's expertise - in France and abroad - to offer a complete range of solutions.

3.4. Wealth management

In 2023, Wealth Management recorded underlying net banking income of €1,023 million.

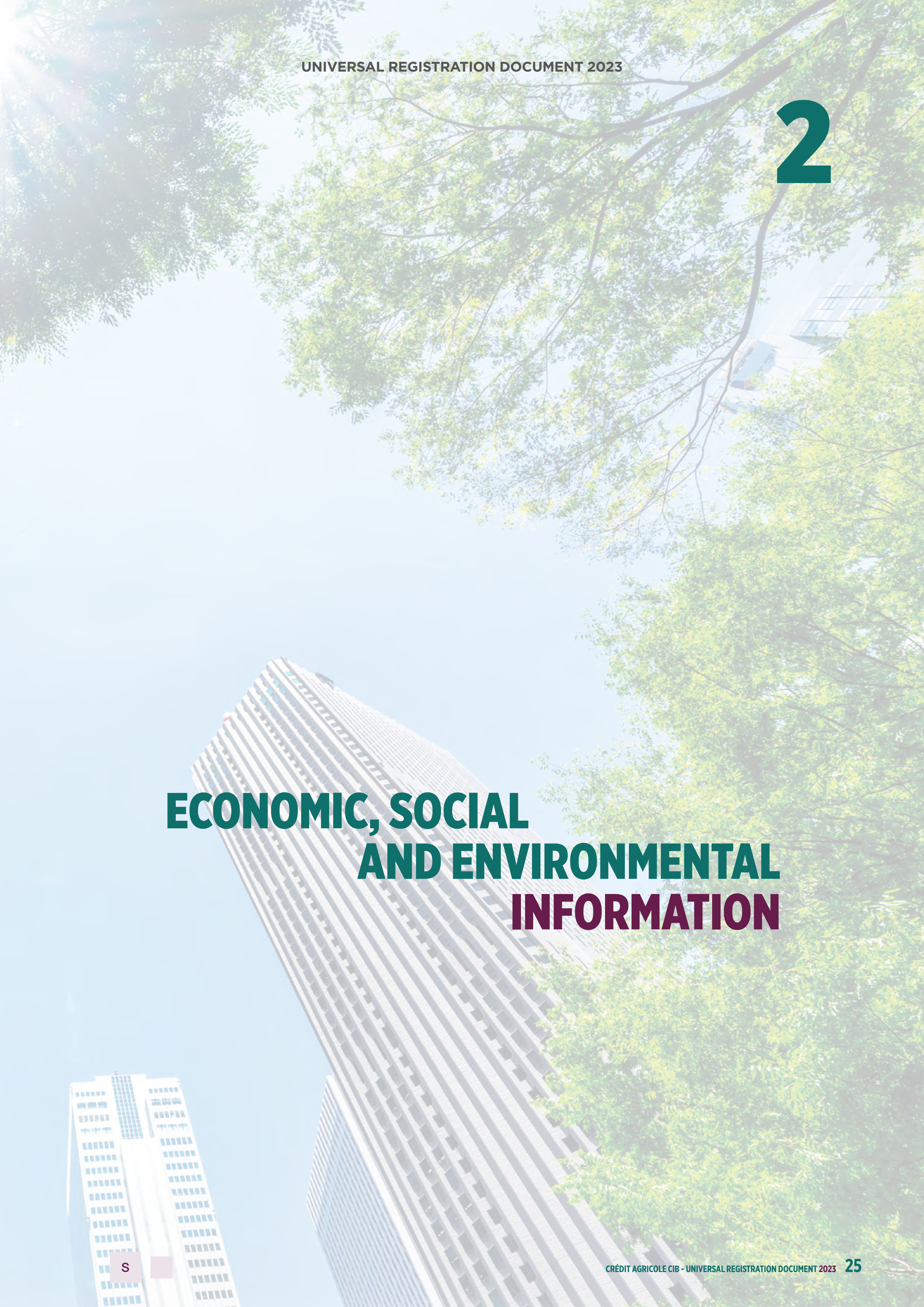
Crédit Agricole CIB group's Wealth Management business is carried out under the global brand Indosuez Wealth Management.

Indosuez Wealth Management has 3,000 employees in 11 territories in Europe, Asia and the Middle East.

Shaped by more than 145 years of experience in supporting families and entrepreneurs from all over the world, Indosuez Wealth Management offers a tailor-made approach enabling each of its clients to preserve and develop their wealth as closely as possible to their aspirations. With a global vision, its teams provide expert advice and exceptional service on one of the broadest spectrum of the business, for the management of private and professional assets.

In response to the expectations of its customers, Indosuez Wealth Management is expanding its value proposition in favor of more sustainable development and a more responsible economy in cooperation with other Group entities.

In France, the partnership between Indosuez Wealth Management France and the Regional Banks is based on complementary approaches and is a definite asset in meeting the evolving expectations of Crédit Agricole Group's wealthy customers.



2

ECONOMIC, SOCIAL AND ENVIRONMENTAL INFORMATION

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CONTENTS

CLIMATE ACHIEVEMENTS AND NEW COMMITMENTS

NET ZERO BANKING ALLIANCE COMMITMENTS BY CRÉDIT AGRICOLE GROUP

TARGET FOR 2030

-75% Oil & Gas (1)

-58 % Power (2)

-36% Shipping (3)

-26% Steel (4)

-20% Cement (5)

-40% Commercial real estate (6)

-50% Automotive (7)

-25% Aviation (8)

SUPPORT TO LOW-CARBON ENERGY

TARGET FOR 2025

+80% Exposure to low-carbon energy

13.3 Mds € Target exposure

FINANCING

GlobalCapital

Most impressive Bank for FI, SSA & Corporate ESG Capital Markets

€17 Bn Green assets portfolio(9)

IFR INTERNATIONAL FINANCING REVIEW

Award EMEA ESG Financing House of the year

2023

(6 consecutive years)

2nd

Worldwide - Green, Social & Sustainability Bonds in EUR

€21.3 Bn

Bookrunner role(10)

(1) In absolute terms, in Mt CO_2e, (2) In intensity, in gCO_2e/kWh, (3) In intensity, $gCO_2e/DWT.nm$ (Well To Wake perimeter), (4) In tCO_2e per tonne of crude steel produced, (5) In intensity in $kgCO_2e$/tonne of cementitious materials, (6) In intensity, in $kgCO_2e/m^2$, (7) In intensity, in $kgCO_2e/km$, (8) In gCO_2e/RTK ("paying" transported tonne/kilometre), (9) Green assets portfolio aligned with the eligibility criteria of the new Green Bond Framework Group and 100% aligned with the European taxonomy, (10) Bloomberg.

INCLUSIVE AND SOCIETAL ACHIEVEMENTS

DIVERSITY OF EMPLOYEES

100+
Nationalities

2,600+
Young people welcolmed in 2023 (1)

EMPLOYEES DEVELOPMENT

282,933
training hours

DIVERSITY

43.3%
Women among all CACIB employees

10
Gender diversity networks around the world

(1) In accordance with the terms defined by Crédit Agricole S.A. in the Youth Plan.

Some of the information not included in this document can be found in the Crédit Agricole CIB Corporate Social Responsibility (CSR) policy, which is published on the Bank's website. There, you will find details about Crédit Agricole CIB's approach, its financing and investment policies and their implementation, the protection of client interests and respect for ethics in business, its undertakings and actions as a responsible and committed employer, the management of the impacts of the Bank's operations and its policy on charities, sponsorship and supporting university research. The following pages focus on the actions taken in 2023. Although the developments below illustrate, for Crédit Agricole CIB, the implementation of the Crédit Agricole Group S.A. Vigilance Plan and the group's non-financial performance, this chapter is neither a report on the implementation of the Vigilance Plan, nor a declaration on the non-financial performance, both of which are presented in the Crédit Agricole S.A. Universal Registration Document.

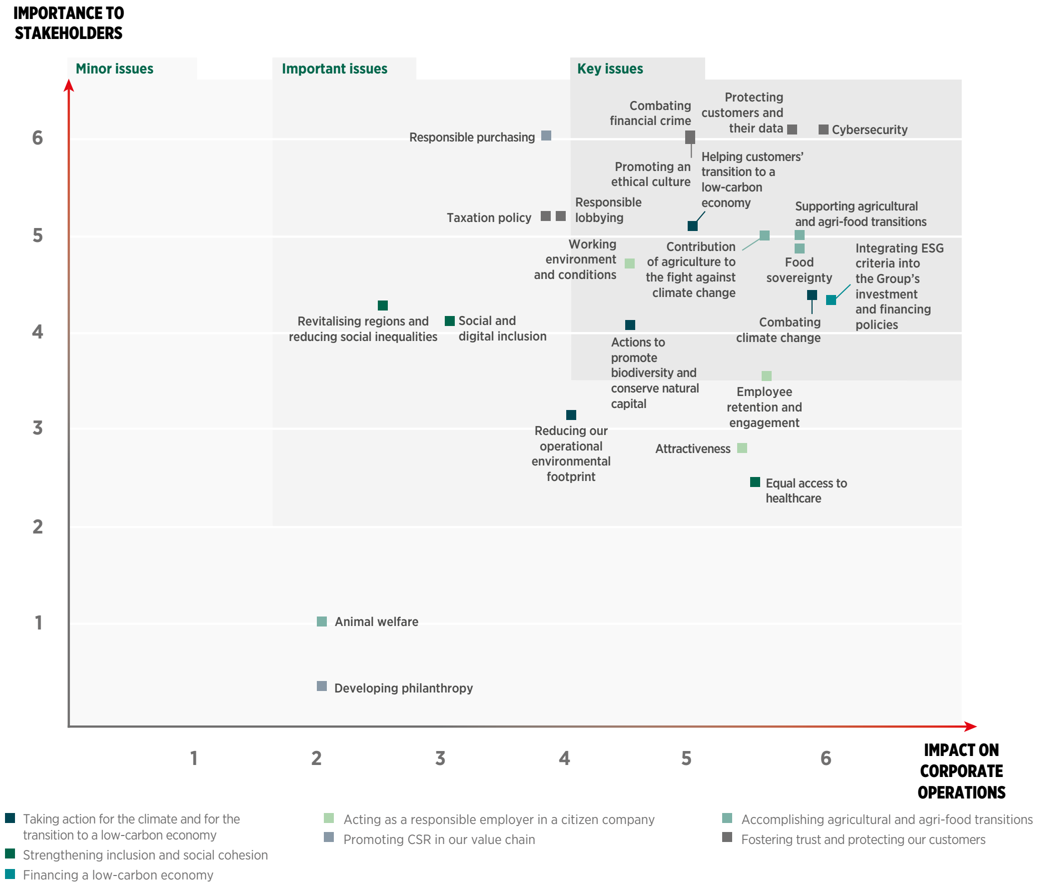
1. NON-FINANCIAL RISKS

1.1. Consultation of stakeholders

Crédit Agricole CIB believes that listening to its stakeholders is the way forward. Crédit Agricole CIB plays an active role in sharing best practices with its peers and has been a member of the Mainstreaming Climate Action within Financial Institutions initiative for several years. As part of this exercise, Crédit Agricole S.A. carried out the stakeholder consultation.

1.2. Materiality matrix

The results of this consultation and the analysis of the main non-financial issues and controversies made it possible to represent them in a materiality matrix structured along two axes: the intensity of stakeholder expectations and the impact of the risk determined by Crédit Agricole S.A. Crédit Agricole CIB fully embraces the Group's materiality matrix, as presented in Crédit Agricole S.A.'s Universal Registration Document and below.



1.3. Analysis of non-financial issues and risks

1.3.1 Methodology

In order to identify the Group's main non-financial risks with regard to its activities, business model, geographical locations and stakeholder expectations, Crédit Agricole's methodology is based on a structured step-by-step approach:

Step 1: Formalisation of non-financial areas defined by the Group's *Raison d'Être* [(1)].

In 2019, Crédit Agricole Group formalised its *Raison d'Être*, and on that basis, the Group Project was developed around three pillars defining an unique relationship model:

- excellence in customer relations: becoming the Bank of preference for individuals, entrepreneurs and institutions;
- empowered teams for customers : supporting the digitisation of business lines by offering clients human and responsible skills;
- commitment to society: amplifying the Group's mutualist commitment by nurturing its position as the European leader in socially responsible investment.

These three areas were supplemented by the ten commitments of the Societal Project presented in December 2021, the societal dimension of Crédit Agricole S.A.'s "2025 Ambitions" Medium-Term Plan, and the details of Crédit Agricole S.A.'s climate strategy in December 2022 and December 2023.

Step 2: Complementary normative procedure to define a comprehensive scope for non-financial risks.

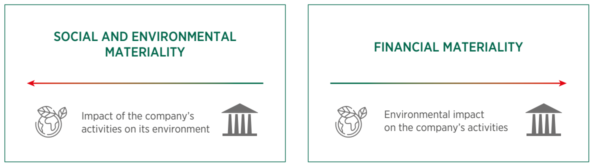
The issues defined in ISO 26000 and the subjects listed in section II, Article R. 225-105 were combined with the three pillars of the Group Project and the ten commitments of the Societal Project, which made it possible to identify some 20 non-financial risks.

Step 3: Selection of the main non-financial risks that could affect the Group's activities.

This step identified 21 significant short-, medium- or long-term risks for Crédit Agricole. The risks identified were assessed on the basis of two criteria: their potential severity and their probability of occurrence. A time dimension was also used for certain risk factors that are less important today but could become more significant in the future. The assessment was made using "gross criteria" that did not include the Group's risk mitigation mechanisms.

Step 4: Integration of stakeholder expectations.

The results of the stakeholder consultation conducted in 2023 made it possible to add stakeholder expectations to the analysis described in the previous three steps. Following this analysis, each of the non-financial themes was assessed on an intensity scale with six levels and represented in the materiality matrix above. Following the integration of stakeholder expectations, 19 non-financial risks were identified as "significant" or "key" out of the 21 risks the Group had previously identified. Two issues identified by Crédit Agricole S.A. were not considered material for the financial sector from the point of view of stakeholders, and are therefore not addressed in the Statement of Non-Financial Performance: animal welfare and corporate sponsorship. Nonetheless, the Group has taken actions related to these two issues.



The non-financial themes identified at the end of Step 4 were analysed using the principle of double materiality. First, social and environmental materiality presents the impact, which may be positive or negative, of the activities of Crédit Agricole S.A. on its ecosystem. Second, financial materiality formalises the impact of the ecosystem on Crédit Agricole S.A. business lines. This work was carried out as part of a participatory process involving the Group's CSR, Risk, Compliance, Purchasing and HR Departments. This principle is also used to assess the material risks directly related to the activities of Crédit Agricole S.A. as part of the updating of the vigilance plan (see Chapter 3 "Corporate governance" of Crédit Agricole S.A.'s Universal Registration Document). This approach differs from that followed for the risk factors presented in Chapter 5 of the Universal Registration Document and Crédit Agricole S.A.'s Universal Registration Document. The risk factors correspond to risks specific to Crédit Agricole S.A. and the Crédit Agricole Group that are material to a decision to invest in securities issued by Crédit Agricole S.A. or for which Crédit Agricole S.A. is the guarantor. This may result in differences in the nature of the issues and risks identified in the Statement of Non-Financial Performance and such risk factors.

(1) *Refer to the glossary in chapter 8 of this Universal Registration Document for the definition of* Raison d'Être.

2. OUR CSR APPROACH

2.1. The CSR approach: a lever for a just transition

In 2022 the Crédit Agricole Group published its new "2025 Ambitions" project with the purpose to establishing its social utility as an essential component of its activities, business lines and processes. This strategic plan is three-dimensional, comprising a Client Project, a People Project and a Societal Project. To accelerate the implementation of its Societal Project, it has established a plan broken down into 10 commitments based on three themes: climate action and the transition to a low-carbon economy, strengthening social cohesion and inclusion, and the success of agricultural and agri-food transitions.

The Crédit Agricole CIB and Indosuez Wealth Management CSR strategy fully embraces this approach. The Crédit Agricole CIB group has entered into stringent societal commitments which cover three priority areas: the fight against climate change, the preservation of biodiversity and the respect for human rights.

For several years now, these aspects have been tackled by the following initiatives:

- to support clients in the sustainable transformation of the economy through its range of sustainable products and services;
- reduction measures of environmental and social risks related to its financing activity (notably based on the Equator Principles, the CSR sector policies, and the introduction of CSR scoring of corporate clients) at Crédit Agricole CIB;
- to reduce its direct environmental footprint.

In addition to reducing Crédit Agricole CIB direct environmental footprint, the Bank seeks through this initiative to tackle societal objectives and help its clients overcome their social, environmental and solidarity related challenges.

Since 2020, **Indosuez Wealth Management**'s CSR approach has been supported by a global business line that, since 2023, has reported to Executive Management. It is structured around its Human Project, its Client Project and its Societal Project.

It seeks to strengthen Indosuez Wealth Management's usefulness and in particular to:

- support its clients in the sustainable transformation of the economy through the products and services it offers, in line with the Crédit Agricole Group's 2050 Net Zero commitment;
- instil the societal project in the day-to-day lives of employees so that everyone is an agent of change and integrate the Group's Societal Project into their activities.

To that end, at each entity, including Azqore, a two-person team consisting of a CSR manager and a front office employee is responsible for promoting the Group's societal dynamics in each region. The purpose of client meetings, attended by these specialists, is to explain and promote Indosuez Wealth Management's Responsible products and services, and to raise awareness among clients who are managers of SMEs and mid-caps of the need to introduce robust CSR strategies at their companies.

2.2. Governance

2.2.1 Governance that ensures long-term commitment

Sustainable development challenges are taken into account by the Crédit Agricole CIB group in accordance with the general guidelines proposed by Crédit Agricole S.A.

The governance structure of Crédit Agricole S.A., which is the central body of the Crédit Agricole Group, a listed company that is a member of the CAC 40 index and the holding company for the business line subsidiaries, reconciles the interests of clients, the consideration of social and environmental issues, and respect for the mutualist values that form the basis of Crédit Agricole's identity.

It is distributed to its subsidiaries and in particular to Crédit Agricole CIB, whose governance structure particularly relies on its Board of Directors.

The composition of Crédit Agricole CIB's Board of Directors reflects the values and its membership of the Crédit Agricole Group. Accordingly, the Chairman of the Board of Directors of Crédit Agricole CIB is also the Chief Executive Officer of Crédit Agricole S.A. and, in this capacity, acts as a coordinator between Crédit Agricole S.A. and its subsidiary Crédit Agricole CIB. The representation of the Regional Banks on Crédit Agricole CIB's Board of Directors reflects the Group's cooperative foundation and supports, over the long term, the values of universality and sustainability for the benefit of all stakeholders.

The collective expertise of Crédit Agricole CIB's Board of Directors is due to the individual professional experience of its members. The Chairmen of the Regional Banks, who are directors of Crédit Agricole CIB, provide the Board with their knowledge of the regions and their vision of the local economic structure. The Board also benefits from the technical expertise and managerial skills provided by the Chief Executive Officers of the Regional Banks and by the five independent directors who hold or have held senior positions in major French or international groups. Added to this, is the operational knowledge of the two directors representing employees regarding Crédit Agricole CIB's business lines and corporates bodies.

Within the Board, a balanced representation of women and men is ensured with a proportion of 50% of directors for each gender. The Board's four specialist Committees are also chaired by independent directors. Detailed information on corporate governance and the composition of the Board can be found in Chapter 3 "Corporate Governance" of this Universal Registration Document.

2.2.2 Governance of non-financial performance

As part of the Crédit Agricole Group's societal project, Crédit Agricole CIB's Board of Directors takes account of social and environmental issues and risks at the highest level. In 2022, during the presentation of the 2025 strategic plan, the Board of Directors ensured that the issues of energy transition, protection of the environment and biodiversity and respect for people were placed at the centre of Crédit Agricole CIB's concerns and ambitions. As part of its role to determine Crédit Agricole CIB's strategic direction, the Board of Directors regularly expresses its support for Crédit Agricole CIB in its desire to position itself as a key player in the ecological transition and to support its clients and society in moving towards low-carbon energy sources. It has also fully embraced Crédit Agricole CIB's ambition to assert itself as a responsible employer both externally and internally.

Throughout the year, the Crédit Agricole CIB's Board of Directors takes environmental and social aspects and risks into account in its work, drawing in particular on the analysis carried out by the CSR teams in managing risks and determining risk frameworks. It reviews and approves cross-functional policies (in particular relating to the climate and the environment) and sectoral policies. It is kept informed of the Net Zero trajectories and commitments made by Crédit Agricole CIB in multiple sectors.

A number of the Board's specialist committees assist the Board of Directors in its work while maintaining a cross-cutting approach to CSR issues:

- the Appointments and Governance Committee ensures that the composition and skills of the Board of Directors are balanced;
- the Risk Committee reviews the way in which climate and environmental risks are integrated into the overall operational strategy, into risk strategies and policies, into the risk management and supervision system and into Crédit Agricole CIB's risk appetite;
- the Audit Committee oversees the preparation of financial information;
- the Compensation Committee reviews the compensation policy applicable to all bank employees and corporate officers in order to ensure that it includes the principles of fairness and ESG criteria.

The Sustainability Department reports to the Global Coverage and Investment Banking Division (CIB) has 2 main roles: advising and supporting clients on sustainable finance aspects, and drawing up Crédit Agricole CIB's decarbonisation and CSR strategy.

The Environmental & Social Risks Department, which reports to the Risk and Permanent Control Division, works on the implementation of tools and metrics to improve the consideration of environmental and social risks within Crédit Agricole CIB, to integrate CSR risk analysis into the credit approval and financing processes, and organises the Committee for the Assessment of Transactions with an Environmental or Social Risk (CERES) for which it carries out secretarial functions.

A Sustainability Executive Committee, composed of the heads of the ESR, Sustainability Department and Ethical Compliance and ESG Division, seeks to improve the sharing of information between members and the coordination of any action taken. This Committee discusses the internal and external sustainability issues faced by the Bank (covering topics such as governance, the updating of policies and procedures and/or controls, regulatory topics, ongoing projects, audits, training and sector policies).

A Sustainable Finance and ESG compliance system was launched in early 2022 to strengthen existing governance structures and to ensure that the Bank was compliant with regulations relating to Environmental, Social and Governance (ESG) topics and risks.

An ad hoc Committee, the Committee for the Assessment of Transactions with an Environmental or Social Risk (CERES), chaired by the Head of the Compliance function, acts as a top-level Committee of the system for evaluating and managing environmental and social risks related to the Bank's activities. More specifically, this Committee issues recommendations prior to the Credit Committee meeting for all transactions whose environmental or social impact it feels needs close monitoring.

The CERES Committee validates the assessment of ESG risks on transactions based on internationally recognised frameworks (the Equator Principles and the Poseidon Principles, etc.), issues opinions and recommendations on transactions classified as sensitive in respect of environmental and social aspects, and approves significant modifications to processes, methodologies and governance texts relating to sustainable development.

The CERES Committee met seven times in 2023 to discuss issues such as the review of transactions signed-off during the year, the approval of ratings according to the Equator Principles, the monitoring of sensitive transactions, and the review of the sector policies and the methodologies linked to environmental and social risks.

In 2023, the CERES Committee specifically reviewed 116 transactions before they were sent to the Credit or Commercial Decision Committee, given their importance and the sensitivity of the potential environmental or social impacts identified. In nine cases, it recommended not continuing a commercial opportunity and in thirty-eight cases, it recommended imposing specific conditions for the management of environmental and social risks.

MAIN ESG STRATEGY AND RISK BODIES

The Group has established a dedicated governance structure with the specific mission of overseeing the implementation of the Societal project, comprising:

- the Group Societal Project Committee, which oversees the implementation of the Societal Project at Crédit Agricole Group level, is its umbrella committee;
- the Net Zero Sponsor Committee created in 2022, which is the steering body for the work on defining the Net Zero trajectories;
- the Scientific Committee, a multidisciplinary body made up of 11 external members (recognised experts in climate and environmental issues), whose mission is to shed light on issues related to the implementation of the climate strategy, and to draw up recommendations.
- Crédit Agricole S.A.'s climate strategy is monitored by the Board of Directors of Crédit Agricole S.A., the central body of the Crédit Agricole Group, through its Societal Engagement Committee.

Presentations on the climate strategy are given to the Executive Committee and the Management Committee on a quarterly basis, as well as to the Crédit Agricole S.A. ESG Strategy Committee.

Crédit Agricole CIB and Indosuez Wealth Management comply with the guidelines proposed by Crédit Agricole S.A.'s Societal Project Division and validated by the Crédit Agricole Group's Group Societal Project Committee.

INDOSUEZ WEALTH MANAGEMENT

At Indosuez Wealth Management, Sustainable Finance, in the regulatory sense, is overseen by a member of staff who coordinates all the departments involved in the subject (compliance for the bank and asset management companies, legal affairs, marketing and products, front office, human resources, IT) and the specific partnership with Amundi. The Sustainable Finance theme is also relayed to each Indosuez group entity by a Sustainable Finance correspondent who ensures that decisions and actions are properly implemented in each country.

As such, socially responsible investment is managed through monthly meetings of the ESG Committee, whose role is to harmonise approaches, define methodologies, decide on exceptions and assess ESG risks, and ensure the consistency of management decisions within the group. The Asset Management and CSR Departments and the Heads of Centres of Expertise (including Equities, Funds, Capital Markets and Mandates) participate in these committees.

The marketing of the ESG offering is monitored monthly by the Indosuez Wealth Management group's Commercial Development Committee, with a view to managing the increase in assets under management and coordinating sales initiatives in this regard.

A monthly summary is also commented on by the Executive Committee on the basis of various indicators relating to the ESG offering and Sustainable Finance.

Lastly, Board of Directors is informed, at each of its meetings, of the progress made on the various components of the Societal Project, with regular updates on the ESG strategy.

CONTRIBUTION OF ESG PERFORMANCE TO THE COMPENSATION OF EXECUTIVE CORPORATE OFFICERS

Information on the compensation policy for corporate officers is set out in Chapter 3 of this Universal Registration Document.

2.2.3 A continuous improvement approach

Implemented in 2012, FReD is a tool used in the appropriation and operational application of the Group's ESG issues. Its approach, in which participation is voluntary, allows each entity to define six action plans consistent with the Group's Project, divided into three frames of reference: respect for the client, respect for the employee and respect for the planet. Half of the action plans (one per frame of reference) are "Group" actions: they are defined by Crédit Agricole S.A. with contributions from the entities, and are validated by the Steering Committee for the tool, with the other half of the actions being specific to each entity.

The progress of each action plan is measured by a progress index that calculates the change in the score between years N and N-1 for each entity. The index levels reached are then consolidated to produce a Group index.

Every year, an audit is carried out by an independent firm to ensure the robustness of the action plans and the reliability of the assessment.

Crédit Agricole CIB and Indosuez Wealth Management are fully involved in the Crédit Agricole Group's FReD progress driven approach.

In 2023, the average level of progress recorded by the 6 action plans of Crédit Agricole CIB was 1.5, and 1.7 for the **Indosuez Wealth Management** Group.

2.3. Compliance in the interest of clients

The ambition of the Compliance business line is to implement within the Group a compliance structure that is useful to society through clear commitments to the prevention of and the fight against financial delinquency, in favour of sustainable finance that respects the Group's societal commitments while contributing to the protection of clients, their legitimate interests and their data.

As such, the mission of the Crédit Agricole CIB Group's Compliance function is to contribute to the compliance of activities and operations of the Bank and its staff with laws and regulations, internal and external rules, and the professional and ethical standards in banking and finance applicable to the Crédit Agricole CIB Group's activities.

2.3.1 Preventing and fighting financial crime

The fight against financial crime, which protects the financial system from criminal activity, is a high priority for the authorities and for the Group, particularly with regard to money laundering and the financing of terrorism, violation of international sanctions and corruption and fraud; it is a topmost priority of the authorities and of the group.

FIGHT AGAINST THE FINANCING OF TERRORISM, AGAINST MONEY LAUNDERING, AND COMPLIANCE WITH INTERNATIONAL SANCTIONS

The Crédit Agricole Group regularly strengthens its financial security system, which is based on "Know Your Customer", the screening of client files against regulatory lists, and monitoring measures for unusual transactions, particularly international transactions. The detection of unusual transactions, the aim of which is to ensure that the Bank is not involved in criminal activities and to report suspicious transactions to financial intelligence units, was further improved in 2023 using the most advanced technologies. The system for managing the risks of non-compliance with international sanctions (prevention, detection, correction and reporting to governance bodies), which has been greatly enhanced with the remediation plan launched in 2015, is now fully operational. It has proven its robustness in the implementation and monitoring of sanctions against Russia, the largest sanctions programme ever put in place, thanks to the commitment of all the compliance teams, the support provided by the control tools used in real time, centralised and managed by the Group, and the involvement of the teams in charge of operations.

The Compliance Division of the Crédit Agricole CIB Group is responsible for the implementation by the Group as a whole of a financial security set-up, consisting of measures aimed at fighting money laundering and the financing of terrorism, as well as ensuring compliance with international sanctions.

Crédit Agricole CIB has devised a vigilance system and aligned it to the specific nature of its clientele, its business and its network abroad.

Therefore, when entering into any relationship, the required client checks act as a first filter to prevent money laundering and fight against the financing of terrorism. This preventative measure relies on knowledge of the client and of the ultimate beneficial owners, completed by research through specialised databases. It also takes into account the purpose and intended nature of the business transaction. Throughout the business relationship, there is an appropriate vigilance proportionate to the identified level of risks. For that purpose, Crédit Agricole CIB employees use computer tools to analyse clients' risk levels and to detect unusual transactions.

The fight against the financing of terrorism and the set-up for ensuring compliance with international sanctions implies, in particular, a constant screening of client and supplier databases, both when entering into the relationship and during the relationship, with a list of sanctions as well as the real-time monitoring of international transactions.

Despite the performance of the computer tools available, human vigilance remains essential, so all employees exposed to these risks are regularly trained in the fight against money laundering and the financing of terrorism, and compliance with international sanctions. In addition, Financial Security documents and information on obligations relating to anti-money laundering, counter-terrorist financing and compliance with international sanctions are accessible to all Bank employees and communications are regularly sent to the employees in question.

Lastly, Crédit Agricole CIB has a dedicated governance and tools in place allowing it to monitor risks of money laundering, terrorist financing and international sanctions violations at the highest level, and detect them at an early stage.

Indosuez Wealth Management has also rolled out the AML-CTF and international sanctions system introduced by the Crédit Agricole Group.

PROTECTION OF THE FINANCIAL MARKETS AND INVESTORS (TRANSPARENCY AND INTEGRITY OF MARKETS)

The Bank continuously ensures that the rules on the integrity of the financial markets and those relating to market abuse are respected by all Crédit Agricole CIB group's employees.

Thus, strict ethical standards, procedures and rules have been put in place to prevent:

- any market manipulation and attempted market manipulation (such as fixing the price of a financial instrument at an abnormal level or broadcasting and transmitting false or misleading information);
- any insider dealing;
- any unlawful disclosure of privileged information.

These obligations are reiterated on an ongoing basis by the various Compliance teams as well as through its training programme.

In addition, controls have also been put in place and daily monitoring is carried out by Compliance in order to detect potential market abuse and to be able to inform senior management and report to our regulators.

Finally, any suspicion or detection of market abuse must be escalated to Compliance, which will then be responsible, if necessary, for informing the senior management of the Bank and our regulators.

FRAUD PREVENTION

Crédit Agricole CIB continues to strengthen its systems for preventing internal and external fraud, in the context of increased frequency and growing complexity of fraud.

The business lines and support functions are regularly made aware of risk factors. Warning and vigilance messages are sent to all employees, primarily via the Crédit Agricole CIB Intranet site. Targeted prevention actions are undertaken to advise and support employees in their choices and to help them to reconcile issues relating to ethics, professional behaviour, objectives and obligations.

These actions allow the deep and widespread diffusion of a culture of probity; the controls and procedures associated with any breaches provide an appropriate management of any behaviours which may harm, directly or indirectly, clients, the Bank and its employees.

FIGHTING CORRUPTION

The Crédit Agricole CIB Group applies, at the highest level, a zero-tolerance policy for any unethical behaviour in general, and any risk of corruption in particular.

This policy illustrates the group's long-standing commitment to business ethics, a key element of its corporate social responsibility policy. It integrates in the compliance and financial security programmes of the Crédit Agricole Group, aiming to ensure transparency and loyalty to clients, suppliers and all types of counterparties with relationships with the Bank, to contribute to the integrity of financial markets and to fight against money laundering and fraud.

The group's commitment to fighting corruption is reflected in the BS 10500 certification obtained in 2016, and subsequently the award of the ISO 37001 international standard to the Crédit Agricole Group in 2017, which was renewed in 2019 and again in 2022. The latter recognises its determination and the quality of its corruption prevention programme. It proves that corruption risks have been correctly identified and analysed and that the programme has been designed to limit these various risks, applying the best international practices. This certification covers all the business lines and support functions of the Crédit Agricole CIB Group.

In the context of increased legal obligations for fighting corruption, in 2018 Crédit Agricole CIB implemented "Measures aimed at preventing and detecting corrupt practice", as referred to in article 17 of the so-called Sapin 2 law of 9 December 2016 on transparency, fighting corruption and the modernisation of the economy.

Existing systems for fighting corruption have been strengthened by the implementation of the recommendations of the *Agence Française Anticorruption* (AFA).

The Group has implemented specific governance to develop the behaviours to be adopted in order to avoid any lapses in probity. Crédit Agricole CIB wrote and circulated an anti-corruption Code of Conduct which was accompanied by an e-learning training programme for all employees and in-person training for people in positions which could be exposed to corruption risks.

At the **Indosuez Wealth Management group**, in addition to the mandatory basic e-learning training provided to all Wealth Management employees, employees in roles that are the most exposed to the risk of corruption have also received dedicated e-learning training relevant to their position.

REPORTING MALFUNCTIONS AND WHISTLEBLOWER MECHANISM

The entire compliance set-up (organisation, procedures, training programmes) aims at promoting the strengthening of ex-ante control. Nonetheless, when preventive measures failed and incidents occur, Crédit Agricole CIB has specific procedures in place to ensure that these incidents are:

- detected and then analysed as quickly as possible;
- brought to the attention of managers and compliance functions at the most appropriate level within each business line;
- monitored and corrected, by establishing an action plan to resolve the issues.

The centralisation of incidents through the reporting process, described in a specific governance text, makes it possible to measure, at the highest level of the company, the Crédit Agricole CIB Group's exposure to the non-compliance risk.

Therefore, as soon as an employee identifies an incident related to compliance concerns, he must tell his supervisor who informs the operational heads and the Compliance, Permanent Control and Legal functions, depending on the subject. This whistleblower mechanism, pursuant to the Sapin II Law of 9 December 2016, incorporates the provisions of the Waserman Law of 21 March 2022 and the Decree of 3 October 2022, allowing any employee, if they find an abnormality in the treatment of a malfunction which they consider is due to a deficiency of, or pressure exercised by their manager, or which they think they are being submitted to pressure, active or passive, that may lead them to cause a dysfunction or to conceal it, to inform their compliance manager and/or, if they so wish, their manager's direct superior of the situation. Crédit Agricole CIB group has deployed a secure reporting tool across all its entities, selected by Crédit Agricole S.A. for the entire Crédit Agricole Group, accessible to employees and any external third parties via the Internet. This tool enables the confidentiality of the facts reported, any people involved and conversations which may occur between the whistleblower and the officer responsible for processing the alert.

Dysfunctions noted are monitored by the Global Compliance Division and escalated to management for submission to the Compliance Management Committee.

2.3.2 Protecting clients and their data

QUALITY OF SERVICE AND TRANSPARENCY TOWARDS CLIENTS

One of the principles of the Crédit Agricole CIB group is to develop long-term relationships with its clients based on trust and transparency.

In this regard, Crédit Agricole CIB has implemented a governance structure, a secure process and measures during onboarding process and the management of the sale of market-based products. The protection of clients is based on a comprehensive client classification system which not only involves applying the MIF 2 rules applicable in the European Economic Area, but also worldwide after an internal process called "Internal suitability rating". The governance system, which seeks to improve protections for investors, is based on:

- determining a target market of clients whose needs, characteristics and objectives are compatible with the financial instrument;
- determining a distribution strategy that is appropriate for the defined target market;
- an exchange of information, with the producer providing useful information for the distributor and the distributor reporting information on sales;
- the expertise of the employees involved in the production or distribution of the financial instrument;
- regularly reviewing the setup;
- internal governance through effective controls by the management body on the system and the involvement of the compliance function;
- production of product development scenarii and consideration of costs and fees.

This set-up forms part of the sales process, in particular so that the financial instruments offered to clients are in line with their risk awareness.

Furthermore, Compliance pays particular attention to the Best Execution obligation, where applicable, to commercial margins on market-based products and to the documentation intended for client information, while continuing to archive and retain the underlying data appropriately.

The Bank relies on its New Activities-new Products (NAP, see dedicated paragraph below) process to ensure its new products/new activities are in line with the client profile. Finally, in order to meet the new product governance obligations imposed by MiFID 2, in early 2018 Crédit Agricole CIB set up a taxonomy for all products handled by the Bank with its clients. In parallel with the NAP system, a new MiFID 2 product file Committee was set up with a view to systematically defining, prior to any transaction, the target market for each of the new products offered by Crédit Agricole CIB to its clients.

Lastly, the Bank constantly strives to improve its client protection measures by continuing to fine tune its complaints follow-up system and by applying recent regulatory changes (ACPR and AMF). These complaints have to be systematically recorded, communicated to a Complaint Correspondent appointed within each Department of the Bank, then replied to within the following timeframes:

- ten days from the receipt of the complaint to acknowledge receipt, unless the response itself has been given to the client within this period;
- two months between the date on which the complaint was sent and the date the response was sent to the client.

In the specific case where the complaint relates to payment services subject to the European Payment Services Directive, known as PSD 2, the response shall be sent no later than fifteen days after receipt of the complaint. This period may be extended to thirty-five days in exceptional situations (for reasons outside the control of the payment service provider).

PRIMACY OF CLIENTS' INTERESTS THROUGH THE PREVENTION OF CONFLICTS OF INTEREST

Protecting clients and their interests, including the consideration of their sustainability preferences (Environmental, Social and Governance (ESG)) in the investment advice provided and the design of our financial products in determining target markets, is central to Crédit Agricole CIB's concerns.

In terms of protecting the interests of clients, the Bank has a Conflict of Interest Management Policy and procedures which are detailed and annually updated, as well as strict rules to identify, prevent and manage all conflicts of interest that may arise. Actions to increase the awareness of the First Line of Defence were again carried out in 2023 and will continue in 2024.

Moreover, the Crédit Agricole CIB group implements all measures to protect its clients' data and take their opinions into account.

THE NEW PRODUCTS/NEW ACTIVITIES (NAP) PROCESS

The Crédit Agricole CIB group designs and distributes new products, activities and services for its clients in a secure manner thanks to the implementation of a management system for this process called "NAP Committee" (New Activities/New Products). Any new product, activity or service must go through the NAP process so that all support functions can analyse them. In this way, any product, activity or service envisaged is approved by a NAP Committee whose decision is based on an analysis of all risks and a confirmation of its compliance with regulations as well as the group's strategy.

The NAP Committee process also involves a CSR analysis and the systematic provision of a legal and compliance opinion.

PROTECTION OF THE PRIVACY AND PERSONAL DATA OF STAKEHOLDERS

Protecting data and using it in the appropriate manner, in the interests of clients, the Bank, its employees and partners have always been at the core of the Crédit Agricole group's concerns.

Thus, in 2017 the Crédit Agricole CIB Group adopted the Charter on the "Use of Personal Data", which has been endowed by the Crédit Agricole Group. The following year it adapted its system in France and abroad in accordance with the General Data Protection Regulation which came into force in May 2018. This system is made of an internal "Set of Standards" that is regularly updated and accompanied by operational procedures that implement the obligations under the GDPR. It is run by a network of stakeholders who receive regular training and has its own control plan, supervised by the Compliance Division, and integrated into the Crédit Agricole Group's permanent control plan.

Another strong signal of this commitment is Crédit Agricole CIB's deployment, in France and its main entities abroad, of its NSU (New Solutions and Uses) set-up.

This system enables to proactively manage the regulatory, legal, operational and IT security risks associated with the implementation of new solutions or new uses concerning data, in an ethical approach focused on the interests of third parties or persons concerned.

It offers all of the Bank's Business Lines and Support Functions a secure framework for the digital transformation (Cloud computing, New ways of working, etc.), innovation and the use of new technologies (Artificial Intelligence, Quantum Computing, Blockchain, etc.)..

2.3.3 Promoting an ethical culture

Ethics helps maintain the trust of stakeholders in the Bank, helps Crédit Agricole to be recognised as a responsible bank, concerned with the interests of its customers, and is a lever for strengthening employee commitment.

Since 2019, the ethical approach has been organised with the aim of preventing and measuring the risk of misconduct. In 2023, this approach was developed further.

REFERENCE TEXTS

The implementation of the Crédit Agricole CIB's ethical culture is based on an internal system of reference documents that, along with legal and regulatory requirements, is based on three levels of coverage:

- The **Code of Ethics**, which was made available to the public in 2017 and is the same for all Group entities, affirms its commitments, its identity and its values of local presence, responsibility and solidarity. It also highlights the principles of action to be respected every day with stakeholders by adopting ethical behaviour;
- **Codes of Conduct** that translate the principles of the Code of Ethics into standards to be applied operationally in a form adapted to the specific nature of each entity's activities, to guide the actions, decisions and behaviour of each individual on a daily basis. These Codes of Conduct also include a specific "anti-corruption" component pursuant to the requirements of the Sapin II Law;
- the **Corpus Fides** is a collection of standards and procedures that identify the rules that Group entities, executives and employees must follow, and which reflect compliance-related regulatory changes.

Crédit Agricole CIB's commitments are also reflected in other documents such as charters (Personal Data Protection Charter, Workplace Behaviour Charter, etc.).

THE OBJECTIVE OF THE ETHICAL APPROACH IS TO PREVENT THE RISK OF MISCONDUCT

Prevention involves i) a "tone from the top" commitment from executives and directors, ii) continuous cultural assimilation of employees (awareness-raising and training) and iii) a control system for the main areas of the risk of misconduct.

Action is taken with executives and directors:

In accordance with the guidelines of the European Banking Authority and the provisions of the French Monetary and Financial Code, Compliance officers train and regularly inform members of the Board of Directors about current regulatory issues. Members of the Crédit Agricole CIB Board of Directors are thus trained in compliance issues on a yearly basis. At the same time, a number of compliance courses are made available to them so that they can have access to concise information on compliance issues. Lastly, newly appointed directors meet with the Head of Compliance when they take up their role. In 2023, training for directors on compliance focused on the following topics: lessons to be learned from a sanction imposed by the AMF (not relating to Crédit Agricole CIB), the Retail Investment Strategy regulation and international sanctions. The **Indosuez Wealth Management** group has also rolled out the system proposed by the Crédit Agricole Group. The members of the Board of Directors of Indosuez Wealth Management, as well as the directors in the entities, receive an annual update on all regulatory developments required for fully understanding compliance issues.

Action is taken with employees:

- each new joiner at Crédit Agricole CIB receives the code of ethics and code of conduct. A read receipt is required as part of the onboarding process;
- communications on ethical issues are sent to employees throughout the year;
- the annual "L'éthique et vous" quiz, which supplements the training programme, was once again sent to Crédit Agricole CIB's employees (98% participation rate in 2023).

The Crédit Agricole S.A. Compliance Division has developed a training programme covering Compliance issues. This programme has been replicated by Crédit Agricole CIB and Indosuez Wealth Management's Compliance and Human Resources Division and supplemented with training courses specific to its business activities. At the same time, each Compliance pole of expertise of Crédit Agricole CIB provides both e-learning and classroom/remote training in their area of expertise to targeted groups. A continuous training action plan improves employee awareness of all Compliance and Financial Security issues, which are constantly evolving. Training on general subjects is usually provided in the form of e-learning, while training targeting at-risk populations is preferred for face-to-face/remote training. Finally, the compliance criteria, which are regularly updated and expanded, form part of each employee's annual appraisal.

As part of the programme defined by Crédit Agricole S.A., **Indosuez Wealth Management** has provided training sessions to its employees as part of the "Ethics and You" quiz in order to measure their awareness of issues in this area.

In addition, Crédit Agricole CIB has a code of conduct in place that applies to all internal and external employees of the Bank, at all levels. This code of conduct was updated in 2023 and describes our approach to ethical issues under four themes:

- Relations with clients and suppliers;
- Social, environmental and societal issues;
- Anti-corruption;
- Protecting the Group and its reputation.

It covers 27 topics, 9 of which are new, and provides a more detailed view of the 18 existing topics, by giving examples of real-life situations.

Its purpose is to:

- assert our principles and ethical values;
- engage with our clients and group partners.

The **Indosuez Wealth Management** group distributed its code of conduct (updated in 2022) to all its entities. This code of conduct, which translates the commitments of the Crédit Agricole Group's Code of Ethics, is on the new intranet site as well as on each entity's website. It serves as both a tool and a guide. It is the foundation of ethical and professional conduct that reflects the Group's values and the guidelines on behaviour to be adopted with all our clients and all stakeholders: employees, suppliers and service providers.

A group control system covers various topics associated with the risk of misconduct.

As such, controls and tools for monitoring market abuse are in place, the screening of suppliers seeking adverse corruption-related news was extended in 2023, whistleblowing alerts are systematically analysed, and the detection of internal fraud risks was strengthened with the ongoing deployment of a new artificial intelligence-based tool. All these tools and controls contribute to preventing conduct risk.

2

MEASURING THE RISK OF MISCONDUCT

Crédit Agricole S.A.'s ethical commitments are reflected in its measurement of the risk of misconduct. The indicator in place covers 6 risk areas: internal fraud, market abuse, corruption, employment practices, sales practices and disputes with third parties.

2.4. Taking action in favour of the environment and contributing to carbon neutrality

2.4.1 A climate-friendly strategy

The international consensus on the need to reduce greenhouse gas emissions is pushing the company to accelerate the advent of low-carbon energy. This means replacing production methods, not simply adding renewable energies to today's energy mix.

THE CLIMATE STRATEGY

Since June 2019, the Crédit Agricole Group has pursued a climate strategy aimed at gradually reallocating its financing and investment portfolios in line with the temperature goals of the 2015 Paris Agreement. This strategy was initially put in place through two series of structural decisions implemented throughout 2020 and 2021:

- adoption of the first structuring decarbonisation targets: withdrawal from thermal coal by 2030 (EU and OECD) and 2040 (rest of world), significant increase in renewable energy financing, acceleration of responsible investment policies;
- creation of tools to meet these objectives: dedicated climate governance, reporting and non-financial monitoring tools, etc.

The climate strategy, set out in December 2022, is based on the following equation:

- finance and invest massively in renewable energy, low-carbon infrastructures, clean technologies and energy-efficiency projects;
- support all clients in their social and economic transitions;
- stop financing any new fossil fuel extraction projects and adopt a selective approach to support energy players engaged in this transition.

On the whole, the Group's climate strategy is designed to understand the impacts on climate of the activities carried out by Crédit Agricole ("environmental materiality" component as defined by the NFRD – Non-Financial Reporting Directive) to reduce the negative impacts and increase the positive impacts of its activities, and to identify opportunities related to climate transitions as defined by the TCFD (Task Force on Climate-related Financial Disclosures).

The analysis of the potential financial impacts of climate risks on the Group's activities ("financial materiality" component as defined by the NFRD) is dealt with in section 3 "ESG risk management" of this chapter.

Accelerated investment and financing in green energy is crucial to effectively contribute to the energy transition to replace fossil fuels. Merely stopping the financing of fossil fuels would make it possible to quickly "green" the Bank's balance sheet but would penalise all populations still dependent on such energy and leave them unsupported in making their own transition.

The Crédit Agricole CIB CSR policy reflects the different environmental and social challenges identified:

- financing the energy transition;
- managing climate risks;
- reducing its direct carbon footprint.

This policy was published in 2017 and updated in 2023 in the document presenting the CSR policy of Crédit Agricole CIB, a global Corporate and Investment Bank serving the real economy and committed to sustainable development.

IMPLEMENTING THE CLIMATE STRATEGY

As a major player in the economy, the Bank believes it has a responsibility to provide support to all its customers in adapting to the challenges posed by climate change. This conviction is at the heart of its climate strategy.

As the first milestones in its strategy to achieve carbon neutrality by 2050, the Crédit Agricole Group joined the Net Zero Banking Alliance, thereby committing to aligning the operational greenhouse gas emissions and those associated with its financing and investment activities with a carbon neutrality target of 2050.

As a result of this commitment, the climate strategy accelerated sharply over the last two years:

- in 2022, publication of decarbonisation targets for the top five most carbon-intensive sectors (i.e. oil and gas, commercial real estate, power generation, automotive and cement), new target of reducing its exposure to oil extraction and production by 25% between 2020 and 2025 (versus 20%);
- in 2023, decarbonisation ambitions were announced for the aviation, steel and shipping financing portfolios, together with a 75% decrease in financed emissions in the oil and gas sector by 2030 (vs. a 30% fall announced in 2022) and a commitment of no financing of any new fossil fuel extraction projects.

In parallel, sector policies spell out the social, environmental and societal criteria to be introduced into financing and investment policies. These criteria mainly reflect the aspects of concern to civil society that appear to be the most relevant, particularly those relating to human rights, fighting against climate change and preserving biodiversity (see below). The goal of the sector policies is therefore to clarify the non-financial principles and rules relating to financing and investments in the corresponding sectors.

The actions of Crédit Agricole CIB and Indosuez Wealth Management on its direct carbon footprint are described in the section entitled “Limiting our direct environmental footprint”.

2.4.2 Accelerating the advent of low-carbon energies

Crédit Agricole CIB and Indosuez Wealth Management want to play an increasingly active role in the energy transition by massively deploying financing and investments in renewable energies, low-carbon infrastructure, clean technologies and energy efficiency projects.

FINANCING SOLUTIONS

Crédit Agricole CIB is strongly committed to financing the decarbonisation of the global economy.

◆ Project and asset finance

Financing renewable energies is an integral part of Crédit Agricole CIB’s strategy, and the Bank is a leading provider of such project financing. The Bank first entered this sector in 1997 by financing the first wind farms, and in 2008 it financed a solar energy project in Spain. The project funding business line has financed in total approximately 68,600 MW of installed wind farm capacity and 24,000 MW of installed solar panel capacity.

Crédit Agricole CIB has undertaken to accelerate its actions in this area with the ambition of increasing its exposure to non-carbon and low-carbon energies by 80% by 2025 and accelerating the development of its platform dedicated to consulting on and financing hydrogen projects.

Crédit Agricole CIB also supports its clients in their transition by financing low-carbon assets and transition assets in the various sectors (Real Estate, Transport, etc.) and energy efficiency. The Bank has a wide range of financing solutions to meet the needs of its private and institutional clients. The portfolio of green assets aligned with the eligibility criteria of the new Group Green Bond Framework published in November 2023 and assets that are 100% aligned with the European taxonomy was worth €17 billion at the end of 2023, up from €12 billion at the end of 2023.

Crédit Agricole CIB has been developing innovative solutions for its clients for many years, with green repo transactions, investment solutions including a carbon offsetting mechanism and, more recently, a company savings account linked to ESG performance.

◆ A global benchmark for green bonds

In addition to its project financing activities, Crédit Agricole CIB helps to finance the fight against climate change and the ecological transition through its green bond arrangement business.

Green Bonds have been instrumental in steering the bonds markets towards climate change financing and helped to create a link between the market products and the infrastructures required for the energy transition. Investors are given precise information on the projects financed by these bonds and their social impacts and environmental benefits. A growing number of investor clients value this information and the additional commitment by issuers.

A pioneer in the market, Crédit Agricole CIB is the second largest bookrunner worldwide in euros with €21.3 billion in green, social and sustainability bonds (bookrunner role, in euros, 6th with $31.3 billion, all currencies):

- the first sustainability-linked bond to include a social KPI for a sovereign issuer (issuance for the Republic of Chile where the Bank acted as Joint Bookrunner, Sustainability Structurer and Deal Manager);
- the largest syndicated green bond issued by a Eurozone issuer (Republic of Italy for a size of €10 billion);
- an inaugural Sustainability-Linked convertible bond issue for SPIE, with CSR performance indicators aligned with the SBTi commitment, aligned turnover European Taxonomy and the feminization of key managerial functions. Crédit Agricole CIB acted as Joint bookrunner and sole ESG structurer.

The Bank is regularly recognized for its role in the sustainable finance market, as well as in transactions in which it participates. The Bank was awarded “Most impressive Bank for SSA ESG Capital Markets” and “Most Impressive Investment Bank for FI ESG Capital Markets” by GlobalCapital.

Finally, Crédit Agricole CIB remains committed to the governance of the Green Bond, Social Bond and Sustainability Bond markets. The Bank is a founding member of the Green Bond Principles and an active member of the Executive Committee of this financial market initiative. The Bank is also behind the Social Bond Principles, the governance of which has been incorporated into that of the Green Bond Principles.

The Crédit Agricole Group Green Bond Framework

A new Green Bond Framework was published in November 2023, replacing the Framework put in place in 2018 on Crédit Agricole S.A.'s inaugural green bond issue. It defines a harmonised framework for all Crédit Agricole Group entities and serves as a reference for issues of Crédit Agricole CIB Green Notes. It also applies to green ABCP issues, green repurchase agreements and green deposits.

The rapid development of the sustainable finance ecosystem since 2018, the introduction of the European Taxonomy and the strengthening of the Crédit Agricole Group's environmental and climate strategy have led to the updating of this group Framework.

Crédit Agricole's new Green Bond Framework is more comprehensive in terms of eligible categories, and more ambitious:

- It is aligned with ICMA's Green Bond Principles of June 2021.

In this respect, the Crédit Agricole Group's green bonds comply with the four pillars of the Green Bond Principles: use of funds, project evaluation and selection process, monitoring of the use of funds and reporting.

- It consists of the following categories of eligible green loans:
  1. Generation of renewable energies
  2. Electricity transmission and distribution
  3. Energy storage
  4. Energy-efficient buildings
  5. Clean transport vehicles
  6. Clean transport infrastructure
  7. Data processing & hosting
  8. Waste management
  9. Water management
  10. Wastewater management
  11. Sustainable agriculture
  12. Circular economy
  13. Conservation of biodiversity and sustainable management of living natural resources and land.

Nuclear is also an eligible activity (i) solely for Crédit Agricole CIB and (ii) insofar as the assets justify full alignment with the European Taxonomy's Technical screening criteria. Crédit Agricole CIB reserves the right to include nuclear assets in its specific Green Notes, and is committed to being fully transparent with investors regarding the use of funds in the financing or refinancing of nuclear assets.

- It applies the Taxonomy's Substantial Contribution test as one of the eligibility criteria, with the desire to align to the greatest extent possible.

Crédit Agricole's Green Bond Framework is available on the Crédit Agricole S.A. website. It has received a second positive opinion, issued by ISS Corporate Solutions in 2023. The experts at ISS Corporate Solutions approved the methodology for identifying and selecting green assets included in the green portfolio, as well as the relevance of the eligibility criteria used to define the categories of eligible green loans.

◆ Crédit Agricole CIB's issues of Green Notes

In 2013, Crédit Agricole CIB developed a new product: the "Crédit Agricole CIB Green Notes". Green Notes are bonds or any other financing tool issued by Crédit Agricole CB of which the funds raised are dedicated to financing environmentally-oriented projects.

As of 31 December 2023, the breakdown of the green portfolio is as follows. It is well diversified, both geographically and sectorially, in line with Crédit Agricole CIB's conviction that the transition to a greener economy will involve numerous industrial sectors, around the world.

At 31 December 2023, the amount outstanding of Green Notes and similar debt products issued by Crédit Agricole CIB enabling the financing of green loans according to the eligibility criteria of the Group's Green Bond Framework, was €4.5 billion. Crédit Agricole CIB's green portfolio is composed of assets distributed primarily in Europe (61%) including 26% of the portfolio in France, with the remainder split between the Americas (22%), Asia (15%) and the Middle East and Africa (2%). Green real estate was the most represented eligible category in the green portfolio (43%), followed by renewable energy (37%), clean transport (12%), nuclear (5%), energy efficiency (2%), water and waste management (1%).

Details of Green Note outstandings are available in the Green Bond Report on Crédit Agricole S.A.'s website : Debt and rating | Crédit Agricole (credit-agricole.com) - "Green Bonds".

OFFERING CLIENTS SAVINGS SOLUTIONS THAT SUPPORT THE TRANSITION

Since 2019, Indosuez Wealth Management has been developing a comprehensive responsible investment and financing solution and has also applied the Group's decarbonisation strategy to its investment activity. In 2023, Indosuez Wealth Management defined and implemented its coal policy in its portfolios, with its oil and gas strategies scheduled for 2024.

In terms of the offering in the broadest sense, discretionary management (in particular, the People & Planet mandate), advisory work and also investment funds (including Indosuez Objectif Terre) and sustainable structured products mandate (in collaboration with Crédit Agricole CIB, the leading green bond issuer) allow clients to participate in financing social and environmental transitions in accordance with their aspirations through the integration of ESG criteria.

In 2023, the offering was strengthened with the issue of a first Social Notes product by Indosuez Wealth Management in Monaco, the creation of a sustainable structured products mandate in France, and the conversion of a sustainable fund (*CFM Environnement Développement Durable*) into a revenue-sharing fund, with a proportion of the management fees now paid to the *Conservatoire Mondial du Corail*. In parallel, the investment grids are gradually changing so that a larger proportion of funds are categorised as Article 8 or 9 funds under the SFDR, provided such changes comply with the terms and conditions.

For 12 years, in France, clients have been offered an "impact" investment service, which covers multiple levels of risk and multiple investment periods.

In addition to its wealth management business, Indosuez Wealth Management in France offers the Crédit Agricole Regional Banks' wealth management clients investment profiles on environmental and societal themes (Indosuez Wealth Management's B-to-B offering).

Lastly, in terms of financing, the offering has been expanded thanks to the roll-out of new Lombard loans that, in some countries, factor in ESG or sustainable characteristics, in parallel with the development of the sustainable real estate financing offering already initiated in 2022.

2.4.3 Supporting our clients in their transition

ADVISING OUR CLIENTS ON SOCIAL AND ENVIRONMENTAL PROJECTS

Committed to the development of climate finance since 2010, with its own dedicated team, Sustainable Banking supports clients on social or environmental projects through a dedicated product offering: Green Loans, Sustainability-Linked Loans, Green Bonds and Sustainability-Linked Bonds, etc.

RAISING OUR CLIENTS' AWARENESS OF SUSTAINABLE FINANCE

In 2023, the Sustainable Banking team organised the fourteenth edition of its annual Sustainable Finance conference. It brought together major investors and issuers over two days. This edition was attended by international experts, key players in ESG or Sustainable Finance (company managers and regulators, etc.) and comprised 11 round table discussions and speeches. This conference was also an opportunity for issuers to hold discussions with investors at bilateral meetings (with more than 200 meetings held).

LIQUIDITY GREEN SUPPORTING FACTOR

Crédit Agricole CIB enables climate change projects to benefit from more favourable internal costs for accessing funds. This makes it possible to offer attractive conditions to investors, thus increasing the amount of responsible finance. This favourable internal cost of liquidity, previously offered only on medium- and long-term financings, is now also applied to short-term loans.

In addition, Crédit Agricole CIB has continued to develop its network of Sustainable Finance Coordinators, experts in responsible finance and climate transition financing, who now number nearly 300.

2.4.4 Gradually phasing out fossil fuels

For several years, the Bank has been committed to a gradual withdrawal from fossil fuels. This was first demonstrated in 2015 by a commitment to end funding for thermal coal mining, and then in 2019 by the announcement of the end of funding for thermal coal (mines, power plants, dedicated transport infrastructure) by 2030 (in the EU and OECD countries) and 2040 (in the rest of the world). The bank also excludes direct financing for the extraction of unconventional hydrocarbons (shale oil and gas, oil sands).

In 2022, this direction was reinforced by the announcement of several commitments:

- **oil and gas:** 25% reduction in Crédit Agricole CIB's exposure (1) to oil extraction and production by 2025; announcement of a 30% reduction in CO_2 emissions related to oil and gas financing by 2030; no direct financing of new oil extraction projects; no direct financing of the extraction of oil and gas in the Arctic (2); annual analysis of the transition plans of oil and gas clients, based mainly on the choice of a reference scenario (vs. the Net Zero 2050 scenario) and on the strategy of divestment from carbon energies and investment in decarbonisation;
- **power:** Crédit Agricole CIB is aligned with the Crédit Agricole Group's objective of tripling the financing of renewable energies and increasing by 3.6x the TWh of financed renewable energy by 2030, by committing to increase its exposure to low-carbon energy by 60% by 2025 vs 2020. This objective will be achieved through expanding the client base by onboarding new clients in order to better reflect the increasing diversity of the sector, finalising the withdrawal from thermal coal-fired power plants, and through increased selectivity and the reduced financing of gas-fired power plants.

In 2023, the Crédit Agricole Group reaffirmed and amplified these commitments:

- **oil and gas:** no financing of any new fossil fuel extraction project (publication in Q1 2024 of total exposure to pre-existing fossil extraction projects in which the Group is still committed); no corporate financing of independent producers, dedicated exclusively to the exploration or production of oil and gas;review on a case-by-case basis of energy companies' corporate financing arrangements, according to a regularly updated assessment, taking into account their commitments in the transition; acceleration of the objective to reduce financed emissions, at a rate twice as fast as the IEA NZE scenario, i.e. a 75% reduction in financed emissions by 2030 (vs 2020);
- **power:** 80% increase of Crédit Agricole CIB's exposure to low-carbon energies between 2020 and 2025, reaching €13.3bn in 2025.

These objectives are part of a broader approach embodied by the decarbonisation trajectories resulting from membership in the Net Zero Banking Alliance (see below). The Crédit Agricole Group is determined to contribute to the massive deployment of financing in renewable energies. The bank is gradually reallocating its portfolios: for every €2 (3) divested from fossil fuel extraction, €8 (3) is allocated to renewable energies.

(1) *The exposure used is the Exposure At Default (EAD). The allocation percentage is on capital expenditure.*
(2) *AMAP for the terrestrial Arctic and beyond the Köppen Line in the marine Arctic*
(3) *Scope: Crédit Agricole Group financing.*

2.4.5 Net Zero Banking Alliance: spell out our targets and commitments by sector

NET ZERO COMMITMENTS FOR FINANCING ACTIVITIES AS PART OF A BROADER APPROACH

Adopted by a growing number of international players, both government and private, as COP26 approached in November 2021, this target, known as Net Zero 2050, represented a decisive milestone on the path to be followed at the global level so that global warming does not exceed 1.5°C by 2100. This path is that of a gradual, but constant and massive, reduction in greenhouse gas emissions up until 2050, the year of the balance point between the greenhouse gases emitted and the greenhouse gases absorbed by natural or technological carbon sinks.

Accordingly, in 2021, Crédit Agricole S.A. decided to join the Net Zero Banking Alliance for banking business lines.

This coalition involves commitments such as setting long-term (2050) and short-medium-term (2025, 2030) targets, with intermediate milestones, establishing a baseline year for the annual measurement of emissions, choosing a stringent decarbonisation scenario recognised by science, and having the objectives and trajectories validated by the highest governance bodies.

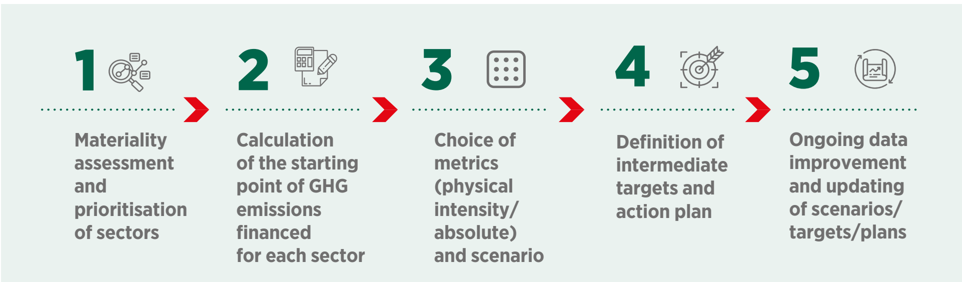
Crédit Agricole S.A. is convinced that each sector has a role to play in the energy transition to a low-carbon world, with its own specificities and its own levers of action. Accordingly, carbon emission reduction targets have been defined at the level of each sector. Based on a materiality analysis, ten priority sectors have been defined, covering 80% of the Group's financed emissions and 60% of outstandings: these sectors are the first to be analysed (five were analysed in 2022, with five others analysed in 2023), in order to determine a decarbonisation trajectory through to 2030. In the coming years, the entire portfolio will be aligned on a Net Zero trajectory. These first 10 sectors, which account for 75% of global GHG emissions, are: Oil and Gas, Automotive, Electricity, Real Estate (commercial and residential), Shipping, Aviation, Steel, Cement and Agriculture.

2

METHODOLOGICAL PRINCIPLES

With this background, Crédit Agricole S.A. decided to provide itself with extensive resources to define targets and pathways in line with a net zero scenario:

- initiated in 2021 and 2022 and continued in 2023, Crédit Agricole has developed a major methodological project, with the support of external advisers, aimed at defining decarbonisation trajectories for each business line and entity, for the main sectors of the economy financed by the Bank;
- in 2022, Crédit Agricole S.A. defined a net zero methodology in five main stages, each of which involved a series of key methodological choices:



1. choice of the International Energy Agency's NZE 2050 scenario (or specific scenarios for certain sectors, which are more granular (geographically or by asset type), but which comply with the 1.5°C trajectory)

2. for each sector, definition of one or more indicators to capture the performance and progress of companies towards decarbonisation

3. determining the starting point of emissions by sector requires the collecting and refining multiple sources of data. The quantity and quality of available data can have a considerable impact on these baseline figures. Given the gaps that currently exist in the available data, Crédit Agricole S.A. plans to update its methodology as the data improves. To establish achievable targets, baselines of financed emissions have been established for each sector under consideration. To calculate these baselines, Crédit Agricole S.A. adopted the PCAF methodology (Global GHG Accounting and Reporting Standard for the Financial Industry), which attributes customers' emissions to the institutions that finance them. In addition, all corporate loans are taken into consideration, prioritising medium- and long-term loans (> 1 year) to start with. Finally, in order to measure the Group's exposure to each client, and for measures in physical intensity, all committed funds were considered (the total credit that Crédit Agricole extends to acustomer), and not just funds drawn down (i.e., actually debited from the credit available to a customer). As a consequence, this raises the emissions baseline. This approach cannot be used for metrics in absolute terms, for which only drawn funds are taken into account,

4. a methodological document, the "Acting for the Climate" guide, explaining the climate strategy and detailing commitment choices and action plans, was published in 2023,

5. as far as possible using the available data, carbon credits that customers might buy to offset their emissions are not taken into account. The decision not to consider carbon credits is justified by the fact that the reduction pathways on which Crédit Agricole S.A. is aligned are scientifically calculated on the basis of carbon budgets and emission reductions for each sector that do not rely on the purchase of carbon credits. This is the most robust and ambitious scientific approach to carbon neutrality targets. Crédit Agricole S.A. nevertheless remains involved in the work of financial markets to define standards for the separate accounting of customers' carbon credits.

Crédit Agricole CIB fully participates in the efforts made and follows the Group's methodological principles.

INTERIM TARGETS AND ACTION PLANS IN EIGHT SECTORS TO HELP ACHIEVE CARBON NEUTRALITY BY 2050

Of the 10 sectors published by the Group, 8 are relevant to Crédit Agricole CIB.

◆ Oil and gas

- **Indicator**: absolute amount ($MtCO_2e$) of greenhouse gas emissions associated related to financing of clients involved in oil and gas activities
- **Scope:** scopes 1 and 2 for all operators in the value chain (Extraction & Production, Refining, Transport, Distribution, Service, Trading), scope 1, 2, 3 for operators in Extraction & Production
- **Entity concerned**: Crédit Agricole CIB

Crédit Agricole S.A. baselines and targets		
2020 baseline	2030 reduction target	2030 target
24.3 $MtCO_2e$	- 75%[1]	6.1 $MtCO_2e$

ACTION PLANS

- stop financing of any new fossil fuel extraction project;
- stop corporate financing of independent producers, dedicated exclusively to the exploration or production of oil and gas and review on a case-by-case basis according to a regularly updated assessment, taking into account their commitments in the transition;
- prioritise clients who are strongly committed to reducing their carbon footprint, and who act as catalysts for the development of decarbonisation solutions (renewable energy, carbon capture and storage technologies, hydrogen production);
- continue to phase out financing of oil extraction and production: 25% reduction in Crédit Agricole CIB's exposure[2] to oil extraction and production by 2025 (compared to 2020) (-35% at 31 December 2023);
- withdraw from unconventional hydrocarbons[3] and exclude financing of projects in the Arctic[4].

◆ Power

- **Indicator:** amount in intensity (gCO_2e/kWh) of greenhouse gas emissions related to financing of clients involved in power generation
- **Scope:** scope 1
- **Entities concerned:** Crédit Agricole CIB/Unifergie

Crédit Agricole S.A. baselines and targets		
2020 baseline	2030 reduction target	2030 target
224 gCO_2e/kWh	- 58%	95 gCO_2e/kWh

ACTION PLANS

- increase exposure to low-carbon energy (production and storage) by 80% by 2025 (compared to 2020), compared to a target of 60% announced in 2022;
- expand the client base, bringing in new clients to better reflect the growing diversity of the sector;
- selectively withdraw from fossil fuel-based generation units by completing the exit from coal by 2030 (EU and OECD) and 2040 (rest of the world).

(1) *The target has been updated in 2023 (-30% announced in 2022) and represents a reduction twice as fast as that of the IEA NZE scenario.*
(2) *The exposure used is the Exposure At Default (EAD). The allocation percentage is on capital expenditure.*
(3) *Or those of counterparties whose revenues from these activities is greater than 30%; shale oil and gas, oil from oil sand.*
(4) *AMAP for the terrestrial Arctic and beyond the Köppen Line in the marine Arctic.*

◆ Automotive

- **Indicator**: Amount in intensity (gCO_2/km) of greenhouse gas emissions related to the financing of car and vehicle manufacturers (individual loans, leasing contracts, securitisation)
- **Scope:** tank-to-wheel and scope 1 of private individuals
- **Entities concerned**: Crédit Agricole CIB / Crédit Agricole Consumer Finance / Crédit Agricole Leasing & Factoring

Crédit Agricole S.A. baselines and targets		
2020 baseline	2030 reduction target	2030 target
190 gCO_2/km	- 50%	95 gCO_2/km

ACTION PLANS

- promote the transition of private individuals and companies to electric vehicles and alternative mobility;
- support the transformation of the sector by financing new players, such as battery manufacturers and recharging solution operators, carmakers exclusively dedicated to electric vehicles and with a close monitoring of carmakers' carbon emission trajectories.

◆ Shipping

- **Indicator**: carbon intensity (gCO_2eq/DWT.nm) of greenhouse gas emissions associated with the financing of cargo ships
- **Scope:** Scope 1 Well to Wake (including upstream emissions associated with fuel production) for cargo shipping
- **Entities concerned:** Crédit Agricole CIB

Crédit Agricole S.A. baselines and targets		
2020 baseline	2030 reduction target [1]	2030 target
6.22 gCO_2e/DWT.nm[2]	- 36%	3.98 gCO_2e/DWT.nm

ACTION PLANS

- work with its clients to assess the carbon score of each vessel in the portfolio or proposed for financing, and implement measures to finance the necessary investments (retrofit financing) aligning with the Bank's Net Zero policy for ships allowing it;
- develop an active policy for financing the construction of new vessels using green fuel, in collaboration with export credit agencies, in order to:
  - support its clients in their new generation vessels orders;
  - accelerate the scrapping of the most polluting vessels;
- improve its methodology in line with regulatory and industry requirements (in particular the Poseidon Principles).

◆ Aviation

- **Indicator:** carbon intensity ("paying" transported tonne/kilometre) of greenhouse gas emissions associated with the financing of airlines and aircraft leasing companies
- **Scope:** well to Wake emissions (including emissions linked to combustion as well as emissions related to kerosene production)
- **Entities concerned:** Crédit Agricole CIB

Crédit Agricole S.A. baselines and targets		
2019 baseline	2030 reduction target [3]	2030 target
1,003 gCO_2e/RTK	- 25%	750 gCO_2e/RTK

ACTION PLANS

- prioritise the financing of fourth generation aircraft, the most fuel efficient, and aims for a portfolio with more than 90% of such aircraft in its composition in 2030 (vs 33% in 2019);
- become involved in the sustainable aviation fuel value chain;
- at the same time, maintain the ongoing dialogue with clients in terms of sustainability.

(1) Aligned with "1.5° or low overshoot" scenario.
(2) Deadweight tonnage per nautical mile. The scope currently excludes passenger transport until the correction factors for the carbon intensity indicator formula for passenger ships have been approved and implemented by the IMO (expected by 2025).
(3) Aligned with the "Prudent" scenario developed by Mission Possible Partnership and l'Aviation Climate-Aligned Finance Working Group, working group with the Rocky. Mountain Institute to create a climate-aligned collective aviation finance framework and objectively measure banks' progress in reducing the emissions intensity of their loan portfolios.

Commercial real estate

- **Indicator:** amount in intensity ($kgCO_2e/m^2$) of greenhouse gas emissions associated with the financing of buildings for professional and corporate clients
- **Scope:** scopes 1 and 2
- **Entities concerned:** Crédit Agricole CIB / LCL / Crédit Agricole Leasing & Factoring / Crédit Agricole Italia / Regional Banks

Crédit Agricole S.A. baselines and targets		
2020 baseline	2030 reduction target	2030 target
36 $kgCO_2e/m^2$	- 40%	22 $kgCO_2e/m^2$

ACTION PLANS

- play a major role in financing the massive need for renovation work, by supporting clients and taking advantage of local regulations: for Crédit Agricole CIB, increase exposure to green buildings[(1)] by 50% (in 2025, compared to 2020);
- put energy efficiency at the heart of business efforts and risk policies by developing all-in-one, turnkey solutions to facilitate energy management in all buildings;
- continue to improve the quality of data to improve knowledge of the portfolio in terms of exposure to risks (particularly climate risks) and efforts made to control these risks.

Cement

- **Indicator:** amount in gross intensity ($kgCO_2e$/tonne of cementitious material) of greenhouse gas emissions associated with the financing of cement-producing clients
- **Scope:** scopes 1 and 2, in gross emissions (including emissions related to the combustion of alternative fuels)
- **Entity concerned:** Crédit Agricole CIB

Crédit Agricole S.A. baselines and targets		
2020 baseline	2030 reduction target	2030 target
671 $kgCO_2e/t$[(2)]	-20%	537 $kgCO_2e/t$

ACTION PLANS

- engage in a sustained dialogue with clients to encourage the adoption of intensity targets below 500 $kgCO_2e/t$ of cement, for gross emissions of scopes 1 and 2;
- continue to support the significant financing needs of its clients to achieve their decarbonisation objectives (new infrastructure, CCUS[(3)] development, electrification);
- steer the cement portfolio, taking into account the CO_2e intensity targets set by clients, by reallocating assets in favour of cement producers with the most ambitious decarbonisation strategies.

Steel

- **Indicator:** amount in intensity (tCO_2e/tonne of steel) of greenhouse gas emissions associated with the financing of steel-producing clients
- **Scope:** Fixed System Boundary, as defined by the Sustainable STEEL Principles
- **Entity concerned:** Crédit Agricole CIB

Crédit Agricole S.A. baselines and targets		
2020 baseline	2030 reduction target	2030 target
1.88 tCO_2e/t crude steel	- 26%	1.4 tCO_2e/t crude steel

ACTION PLANS

- dialog on an ongoing basis with clients not aligned on a 1.5°C trajectory to explore with them how Crédit Agricole can support them in their decarbonisation;
- develop project financing of low-carbon steel production technologies;
- steer steel portfolio, with reallocation in favour of the most ambitious clients.

(1) Green buildings according to Crédit Agricole S.A. Green Bond Framework (https://www.credit-agricole.com/en/finance/debt-and-ratings)
(2) Physical production is based on "tons of cement materials", which makes it possible to avoid double counting and to define a comparable intensity between the players, in line with the recommendations of the Global Cement and Concrete Association (GCCA).
(3) Carbon capture, utilisation and storage

Intermediate targets and action plans by business line to achieve the 2030 targets

- 80% increase in exposure[1] to low-carbon energies (production and storage) by 2025 (compared to 2020);
- 25% reduction in exposure[1] to oil extraction by 2025 (compared to 2020);
- Acceleration in the development of the hydrogen project consultancy and financing business.

◆ Carbon budget

With a view to meeting the requirement to monitor its decarbonisation trajectories, the steering of Net Zero Commitments is integrated in the budgetary process. Carbon is managed as a scarce and reducing resource. The carbon dimension of the financing will thus be monitored according to sector trajectories, either in absolute value or in intensity, with annual targets set per entity based on the 2030 targets announced by the Group.

A team dedicated to carbon budget steering was created within the Group's Finance Department and a budgetary framework for carbon trajectories is now set annually for each entity of Crédit Agricole Group. The budgetary follow-up of these trajectories will be carried out every six months. The Climate and Net Zero impact is thus integrated into strategic decisions.

(1) The exposure used is the Exposure At Default (EAD). The allocation percentage is on revenues.

2.4.6 Taking action to promote biodiversity and conserve natural capital

CRÉDIT AGRICOLE S.A. STATEMENT ON BIODIVERSITY AND NATURAL CAPITAL

The world is facing a major double crisis affecting both the planet and people: biodiversity loss and climate change. Taking action in support of nature and biodiversity[1] is essential to Crédit Agricole's environmental strategy. The adoption of the new global framework for biodiversity (the Kunming-Montreal Agreement) by 196 member states at the end-2022, also presented as a "Peace Pact with Nature", confirms the importance of halting and reversing biodiversity loss as quickly as possible. In accordance with the United Nations Conventions on biological diversity (CBD, 1992), Crédit Agricole Group recognises the central role of biodiversity conservation for humanity and the importance of preserving and restauring it, while being aware that the loss of nature is mainly driven by human activities, such as the unsustainable use of land, water, energy and climate change[2].

As a reminder, Crédit Agricole's definition of "nature or natural capital " includes both all living organisms (biodiversity) and non-living elements of the physical world, such as water, soil, minerals and air. Besides, in 2023, Crédit Agricole S.A. published its first Statement on biodiversity and natural capital which includes five priority areas to address this major crisis:

1. assessing material impacts and risks of nature loss on our activities: Crédit Agricole S.A. has undertaken identifying potential indicators, tools and methods related to biodiversity and natural capital. In 2023, Crédit Agricole S.A., Amundi and Crédit Agricole CIB participated to two pilots of the Taskforce on Nature-Related Financial Disclosures (TNFD) to test the LEAP process and give their opinion on the proposed reporting framework;
2. embedding nature and biodiversity into our sectoral policies: at the level of financing and investment portfolios, Crédit Agricole S.A. has undertaken various actions to manage the risks related to biodiversity and natural capital loss, as well as to minimize the negative impacts related to its activities;
3. mobilising financial resources to contribute towards nature-positive actions and activities: although the common metrics, indicators and standards related to biodiversity and natural capital are less advanced than for the climate, Crédit Agricole S.A. acts through its financing, investment and insurance products. Crédit Agricole Group also supports projects to raise employee awareness and to support its customer on biodiversity;
4. supporting collective initiatives to address nature loss and ecosystem services' decline: Crédit Agricole S.A. works with national and international coalitions to better understand the impacts and risks of the nature and biodiversity degradation, as well as better understand the opportunities to contribute to its preservation, conservation and restauration;
5. reducing our internal environmental footprint and promoting biodiversity onsite: Beside its indirect footprint related to its financing, investment and insurance activities, Crédit Agricole S.A. acts on its potential direct footprint on biodiversity and natural capital by protecting and promoting biodiversity on site.

This first statement also confirms our approach to biodiversity and natural capital based on scientific work.

ASSESSING MATERIAL IMPACTS AND RISKS OF NATURE LOSS ON OUR ACTIVITIES

Since it exercises a services activity and is located in urban environments, the Bank does not have a significant direct impact on biodiversity. However, the activities it finances may in some cases affect biodiversity.

Since 2016, Crédit Agricole CIB has been mapping the sectors and geographical regions which are most exposed to water access and pollution issues. Crédit Agricole CIB has included this criterion of analysis in its CSR scoring system described below.

In 2021, Crédit Agricole CIB began mapping the sectors and regions most exposed to issues associated with the loss of biodiversity: while some sectors are highly dependent on good levels of biodiversity, other sectors may have negative impacts on natural environments.

Since 2022, Crédit Agricole CIB implemented two biodiversity-related indices that aim to assess corporate clients' potential impact and dependencies on biodiversity.

This work on biodiversity complements the initial work carried out previously on water and pollution.

These two indices:

- aim to assess clients' dependence on biodiversity (dependency index) and clients' impact on biodiversity (impact index), leading to enhanced due diligence beyond a certain threshold (introduced in 2023);
- the metrics have been defined at country-sector level (comprising a geographical component common to both indices and a specific sector component);
- they include a geographical component common to the two indices based on the following risk factors:
  - the two main factors of permanent deforestation according to the World Resources Institute (WRI): expansion of commercial agriculture and urbanisation (the "Tree cover loss by dominant driver" index of the WRI's Global Forest Watch platform);
  - the presence of primary forests or mangroves (data from the WRI's Global Forest Watch platform);
  - the lack of a national policy for protecting sensitive regions (no registration of protected areas at international level: RAMSAR, UNESCO World Heritage).
- They also include a sector component:
  - dependency index: the sectors most vulnerable to biodiversity loss were identified based on various studies (World Economic Forum, PRI, UNEP, KPMG) listing sectors that are highly dependent on ecosystem services;
  - impact index: the sectors responsible for the greatest impacts on biodiversity loss have been identified based on various studies (Portfolio Earth, PRI, UNEP and Vigeo Eiris) listing the sectors with the most significant impacts on biodiversity.

In 2023, Crédit Agricole CIB has released 2 biodiversity modules to raise employees' awareness of biodiversity issues (see above).

(1) *See the definition of "biodiversity" under the Convention on Biological Diversity: Convention on Biological Diversity|United Nations.*
(2) *Some scientists believe that we are entering the 6th mass extinction, the last of which occurred 66 million years ago with the extinction of the dinosaurs.*

INCLUDE CRITERIA RELATED TO NATURE AND BIODIVERSITY IN ITS SECTOR-SPECIFIC POLICIES

In its CSR sector policies, Crédit Agricole CIB has introduced analytical and exclusionary criteria based on biodiversity protection, with particular attention paid to important areas based on this criterion.

Sector policies make explicit reference to International Finance Corporation Performance Standard 6 (Biodiversity Conservation and Sustainable Management of Living Natural Resources), and exclusion criteria are incorporated into policies on the financing of projects or activities within protected areas (UNESCO World Heritage, Ramsar sites, Alliance for Zero Extinction AZE, designation criteria, etc.). In the forestry and palm oil sectors, clients are expected to implement a certification process for their plantations.

The list of sector policies is available on Crédit Agricole CIB's website: https://www.ca-cib.com/.

SUPPORT FOR COLLECTIVE INITIATIVES AIMED AT HALTING THE DECLINE IN NATURE AND ECOSYSTEM SERVICES

Within the framework of the French government's National Biodiversity Strategy 2030[(1)], and the Kunming-Montreal Global Framework for Biodiversity (GBF), Crédit Agricole CIB works jointly with Crédit Agricole S.A. with national and international coalitions to better understand the impacts and risks of the degradation of nature and biodiversity, as well as the opportunities to participate in their preservation, conservation and restoration. Crédit Agricole S.A. participates in the following coalitions:

Initiatives	Description of Crédit Agricole S.A.'s commitment
PRB Nature Target Setting Working Group of UNEP FI	Crédit Agricole S.A. was appointed co-chair of the "Nature Target Setting Working Group" of the UNEP FI PRBs, which brings together 36 banks worldwide **and whose main goal** is to develop initial guidance on recommended objectives for banks, aligned with the Kunming Montreal Agreement (Global Biodiversity Framework).
Task Force on Nature-Related Financial Disclosures (TNFD)	As a member of the Forum since 2022, Crédit Agricole S.A. participates in discussions with the other members of the Forum on the proposed voluntary framework. Crédit Agricole is also a member of France's Consultation Group with l'Entreprise pour l'Environnement (EpE), which seeks to better identify, assess, manage and report on nature-related risks and opportunities. Crédit Agricole S.A. participates in TNFD pilots to test and provide feedback on this framework.
PRB Biodiversity Community, UNEP-FI	Crédit Agricole S.A. is a member of the United Nations Environment Programme Finance Initiative's Principles for Responsible Investment (PRB Biodiversity Community, UNEP-FI) to guide the Group's approach to biodiversity in order to better understand and integrate nature-related issues into its environmental strategy.

Crédit Agricole S.A. has, since 2023, participated in other biodiversity working groups with the *Fédération Bancaire Française* (French Banking Federation (FBF)) and the *Institut de la Finance Durable* (Sustainable Finance Institute). More recently, in October 2023, Crédit Agricole S.A. was co-sponsor of the DEFI symposium (business-finance dialogue to find solutions for nature), addressing various topics such as the preparation of the COP16 for the CBD, the commitments of companies on protecting environments essential for biodiversity, and the nature-related benefits resulting from the adoption of the Kunming-Montreal Agreement. In 2023, Crédit Agricole S.A. joined CDC Biodiversité's B4B+ Club, a group of companies and financial institutions that promote discussions about biodiversity footprints.

MOBILISE FINANCIAL RESOURCES FOR ACTIVITIES THAT BENEFIT NATURE

Indosuez Wealth Management is confident in its ability to redirect savings towards responsible and/or impact projects, and offers its clients a comprehensive responsible investment and financing offering that incorporates criteria relating to the protection of biodiversity. In 2022, two flagship investments were launched in this area:

- Indosuez Blue Cycle, a solidarity-based structured product with donations made to NGOs working to protect the oceans (the Fondation de la Mer, Plastic Odyssey),
- Portobello Carbono Verde, an investment fund that specialises in the reforestation of burned land and wasteland in Spain and Portugal.

In addition, the Indosuez Foundation in Switzerland, which has been active since 2012, supports projects that seek to protect natural environments (reforestation, agroforestry and combating plastic pollution).

- Protecting the oceans is a central theme of Indosuez Wealth Management's sponsorship policy and awareness-raising initiatives are carried out with the teams (partnerships with the Fondation de la Mer and the Plastic Odyssey, Under The Pole and Coral Gardeners associations have been established in parallel).

The management of biodiversity and nature at the Group's sites is discussed in section 2.4.7 "Reducing our operating footprint".

(1) National Biodiversity Strategy 2030 – Regional Ministries of Ecology and Energy: https://www.ecologie.gouv.fr

2.4.7 Reducing the environmental footprint of operations

AMBITIOUS REDUCTION TARGETS

Following Crédit Agricole's membership of the Net Zero Banking Alliance in July 2021 and in line with the announcements of the Societal Project to contribute to carbon neutrality between now and 2050, Crédit Agricole CIB and Indosuez Wealth Management are fully involved in reducing greenhouse gas emissions caused by their own operations. As a reminder, the Group's reduction targets are:

- a 50% reduction in greenhouse gas emissions associated with the energy consumption of buildings and the vehicle fleet (scopes 1 and 2) between 2019 and 2030 (absolute target);
- a 50% reduction in greenhouse gas emissions from business travel (scope 3 category 6) between 2019 and 2030 (absolute target).

With targets that seek to halve emissions for these three items, Crédit Agricole S.A. is embarking on an ambitious trajectory that goes beyond the minimum requirements under the SBTi methodology:

- by committing to a larger-than-required reduction (-50% vs. -46.2% under the SBTi);
- by choosing an absolute target for all its targets[(1)].

This reflects the commitment of Crédit Agricole S.A. and its subsidiaries to limit global warming to below 1.5°C by 2100.

Crédit Agricole Group remains committed to using less carbon-intensive electricity, with the aim of achieving 100% renewable electricity by 2030 at all its French and international sites.

STEPPING UP ACTIONS TO REDUCE ENVIRONMENTAL IMPACT

Buildings, travel and the information system, in the broadest sense, are the main sources of emissions produced by Crédit Agricole CIB and Indosuez Wealth Management's own activities. These three areas are the subject of an action plan aimed at reducing emissions.

◆ Energy efficiency

- In September 2022, Crédit Agricole Group committed to an energy efficiency plan, which it renewed in 2023:
  - adaptation of lighting (adaptation of lighting periods in common areas and switching off lights in unoccupied premises; modernisation and increased use of LED lighting);
  - aligning temperatures with those recommended by ADEME: heating buildings to 19°C and air conditioning to 26°C; reducing temperatures to 16°C in premises unoccupied for 48 hours;
  - optimising energy consumption on its two largest campuses – totalling 300,000 m² – making it possible to target an overall energy saving of 14% by the end of 2024 compared to 2019 (7% obtained through operational actions and a further 7% through the efforts of its employees).
- Renewed adherence to the EcoWatt Commitment Charter, developed by RTE and ADEME, which aims to reduce or shift electricity consumption in France during periods of high demand on the electricity system.
- Rolling out best practices to employees and starting a programme to transform energy consumption. An information-consultation process with the Social and Economic Committees (SEC) was launched in November 2022 to present the early warning mechanism and its consequences on the organisation of work.

◆ Building operations

Specifically in relation to sites, a major area that requires significant time and investment, an action plan is implemented at all the entities in the **Indosuez Wealth Management** group. In Luxembourg, one of the occupied buildings was vacated and replaced by buildings with new environmental standards, closer to homes of cross-border employees and thereby limiting commuting distances. In Paris in 2023, the head office was connected to the city's heating and cooling network, reducing consumption and allowing the group to participate more effectively in the EcoWatt system during the winter. Similarly, in Monaco, a project is also underway to connect buildings to urban networks. In Geneva, the teams are working on connecting the head office to the Genilac network. This thermal infrastructure works using water from Lake Geneva, which, drawn from a depth of approximately 45m and at a temperature of around 7°C, reduces electricity consumption for heating and cooling by 80%.

Following site reorganisations with the roll-out of *flex office* and moves to Taiwan and Germany, the office space occupied by Crédit Agricole CIB has fallen by around 9%.

The buildings in Montrouge and Saint-Quentin-en-Yvelines consume 100% "green" electricity, meaning that it is generated by renewable hydroelectric sources of energy. To meet the Group's RE100 commitment, renewable electricity supply contracts were entered into in 2023 for Crédit Agricole CIB in Japan, India (Mumbai), Italy and Taïwan.

◆ Crédit Agricole Group Data center

- Dedicated environmental protection policy for Greenfield, the Group's data centre (established by Crédit Agricole Group Infrastructure Platform and Crédit Agricole Immobilier).
- Continuous improvement of the data centre's energy optimisation (ISO 9001 – DIMEX certification since 2015 and ISO 50001 since 2017).
- Optimisation through indirect free-cooling (use of external cold to replace the use of air conditioners): computer rooms are cooled 81.2% of the time without air conditioning.
- Energy performance indicator (PUE) has been kept below 1.4 for several years.
- Monitoring of energy and water saving measures using the IPMVP (International Performance Measurement and Verification Protocol), a method recognised by ADEME.
- Extension of the Voltaire Project (launched in 2019) consisting of immersing servers in oil in order to cool them (oil conducts heat 1,500 times better than air, and thus naturally captures the heat released while maintaining an even temperature), which provides several benefits: machines are protected from thermal shocks, pollutants and oxidants present in the air, and the energy consumption of immersed servers is reduced by 30% compared to cooling by air.
- Optimisation of the data centre for **Indosuez Wealth Management** at Azqore, through several joint actions: optimisation of temperature and free cooling regimes,

(1) *The GHG Protocol allows for rebasing in case of acquisition.*

decommissioning of equipment, insulating buildings, installation of solar panels on roofs, retro-fitting ventilation and air conditioning motors, etc.

◆ Biodiversity at sites

- The Montrouge (Evergreen) and Saint-Quentin-en-Yvelines (SQY Park) sites have been awarded the "Refuges LPO" label in recognition of Crédit Agricole's commitment to preserving and providing a home for local biodiversity. No phytosanitary products are used.
- The SQY Park site has the EcoJardin label and the Evergreen site was one of the first French sites to obtain the Biodivercity Life label [1]
- There are also beehives at **Indosuez Wealth Management's** main offices, in France, Luxembourg, Monaco and Switzerland.

◆ Business travel

At Crédit Agricole CIB and Indosuez Wealth Management, journeys by employees has a real impact on greenhouse gas emissions, and a strategy is therefore in place to limit and "decarbonise" these journeys.

The travel policy is being revised at Crédit Agricole CIB and has been revised by **Indosuez Wealth Management** to systematically prioritise trains whenever possible.

A car-sharing solution has been introduced on campuses, the bicycle park has been expanded and electric charging terminals have been installed.

A "sustainable mobility package" is offered at a number of entities. It aims to encourage more environmentally friendly modes of transport by providing financial support to employees regularly travelling to work by bike, carpooling, or using any other eligible mode of transport.

Vehicle fleets are moving towards hybrid or electric vehicles where they are appropriate for the intended use (the vehicle "catalogue" is regularly updated by Crédit Agricole S.A. to keep pace with technological developments in the automotive offering in general, with an update being carried out in 2023).

In its business activities, **Indosuez Wealth Management** prioritises meetings by videoconference whenever possible, including with its clients where appropriate (in 2023, an estimated 30% of client meetings were held remotely).

◆ Protection of natural resources

As financial services companies, Crédit Agricole CIB and Indosuez Wealth Management consume little water and are not responsible for significant direct pollution. However, they take great care in recycling and recovering their waste and their water management.

2.4.8 Water

For Crédit Agricole CIB, the Eole and Terra buildings in Montrouge and the Alsace building in Saint-Quentin-en-Yvelines are equipped with a rainwater recovery system and use water saving machines for cleaning the floors.

2.4.9 Waste

A number of initiatives have been put in place to reduce environmental impacts on campuses:

- Fighting food waste at Montrouge (display, self-service for fruit and vegetables) at the Montrouge and Saint-Quentin-en-Yvelines campuses: average annual ratio of 41g/diner/day compared with a required national ratio of 94g/diner/day[2] maximum.
- Recycling and recovery of waste while limiting its generation.
- Installation of a bio-waste composter on the Evergreen campus: the compost obtained is used to enrich the campus gardens and is distributed to employees. Surplus compost is given to the town of Montrouge for its gardens. Eventually, a quarter of the waste from peelings (from the kitchens of company restaurants), i.e. 35 to 40 tonnes, will be composted; the remaining 100 tonnes will be treated by methanisation.
- On the Evergreen campus, a new source of waste is now recovered by our service provider: hand wipes.

Crédit Agricole CIB and Indosuez Wealth Management are continued to take action to raise the awareness of their employees of eco-friendly behaviour and the implementation of resource management activities and recycling.

In addition, **Indosuez Wealth Management** organises, as part of European Week for Waste Reduction, an annual web information conference for employees as well as Cleaning Days and Citizen Days dedicated to waste collection and the collection of clothing or toys for local associations.

Indosuez Wealth Management in Luxembourg signed the "Zero Single Use Plastic" manifesto and has committed to implementing all the necessary actions to achieve this objective and the removal of products targeted by this manifesto, namely various single-use plastic objects. This initiative is now shared by the other Group entities.

VOLUNTARY CONTRIBUTION TO CARBON NEUTRALITY

In the transition period towards the Net Zero target and alongside actions to reduce its emissions, Crédit Agricole CIB is contributing to global carbon neutrality by offsetting part of its residual emissions, by financing environmental projects that promote the reduction of greenhouse gases in the atmosphere or their sequestration. Since they were launched in 2011, Crédit Agricole CIB has invested in the Livelihoods Carbon Funds, which finance projects that help fight climate change, restore and protect natural ecosystems with high potential and improve the living conditions of rural communities. The Livelihoods Funds finance projects for reforestation and restoration of degraded ecosystems, agroforestry, regenerative agriculture, and small-scale rural energy (improved stoves) in Africa, Asia, Latin America.

Following the decision of its Executive Committee in June 2021, Crédit Agricole CIB now offsets 100% of its operating footprint: a portion via Livelihoods thanks to the Verra and Gold Standard certified carbon credits, with the balance being offset via the purchase of carbon credits on the market.

The Bank will cancel VCU (Verified Carbon Units) certificates corresponding to the dividends received in 2023 for its investment in the Livelihoods fund, for 12 kTeqCO_2.

(1) This label recognises concrete actions for the sustainable maintenance of green spaces, combined with a programme of activities offered to employees. Employees have also been encouraged to contribute to the protection of biodiversity on the site via a dedicated digital tool.
(2) This weight includes food that has been prepared, presented for more than two hours but not eaten (unsold) and leftovers from trays.

2.5. Social strategy

2.5.1 Utility and universality

HELP TO REVITALISE THE MOST VULNERABLE REGIONS AND REDUCE SOCIAL INEQUALITIES

◆ Social bonds

Crédit Agricole CIB acted as bookrunner for emissions in euros on more than 2.6 billions euros in social bonds in 2023 (source : Bloomberg).

At 31 December 2023, the amount outstanding of Social bonds and similar debt products issued by Crédit Agricole CIB enabling the financing of social impact loans according to the eligibility criteria of the Group's Social Bond Framework, was €331.5 million, including €321.5 million of Social Notes. Crédit Agricole CIB's social portfolio consists of projects to open up regions and combat digital deserts (as to 77%), investment projects for health for all (as to 17%), project financing in emerging countries (as to 4%) and investment in social housing (as to 2%).

The Crédit Agricole Group's Social Bond Framework

In November 2020, Crédit Agricole published a Group Social Bond Framework covering all the Group's issuing entities, including Crédit Agricole CIB. This Framework allowed Crédit Agricole S.A. to successfully launch its inaugural one billion euro Social Bond issue on 2 December 2020.

For its Green and Social Notes, Crédit Agricole CIB follows the principles laid down by the Green and Social Bond Principles which are voluntary principles for the formulation of Green and Social Bonds and which have guided the market development. The Green and Social Bond Principles were proposed by the major arranging banks of Green and Social Bonds, including Crédit Agricole CIB.

Crédit Agricole CIB's Green and Social Notes are presented based on four structuring lines, defined by the Green and Social Bond Principles:

- use of the funds;
- project assessment and selection process;
- funds monitoring;
- reporting.

Crédit Agricole's Social Bond Framework consists of eight different categories of eligible social loans:

1. funding for SMEs in disadvantaged employment areas;
2. funding for social housing;
3. funding for public hospitals;
4. funding for public nursing and care homes;
5. funding for SMEs in the healthcare sector;
6. funding for associations in the sectors of sport, culture and solidarity development;
7. funding projects in developing countries;
8. funding information and communication technologies in rural areas.

Crédit Agricole's Social Bond Framework is available on the Crédit Agricole S.A. website. It received a second opinion from the rating agency Moody's Investor Services (ex Vigeo Eiris) in November 2020. The experts at Moody's Investor Services (ex Vigeo Eiris) approved the methodology for identifying and selecting social assets included in the social portfolio, as well as the relevance of the eligibility criteria used to define the categories of eligible social loans.

Social bond issues

Since 2021, Crédit Agricole S.A. has published a social bond report covering all social bonds issued by Group entities. This report is available on the website of Crédit Agricole S.A. and details the allocations of the funds raised by the issues of social bonds by Group entities in the social bond portfolio of Crédit Agricole and an estimate of the impact of the social projects financed in this way.

At 31 December 2023, outstanding Social Notes issued by Crédit Agricole CIB were €322 million with 19 issues. Crédit Agricole CIB's social portfolio consists of telecommunications projects in rural areas (82%), infrastructure projects in developing countries (4%) and investments in public hospitals (14%).

2.5.2 Being a responsible employer in a citizen company

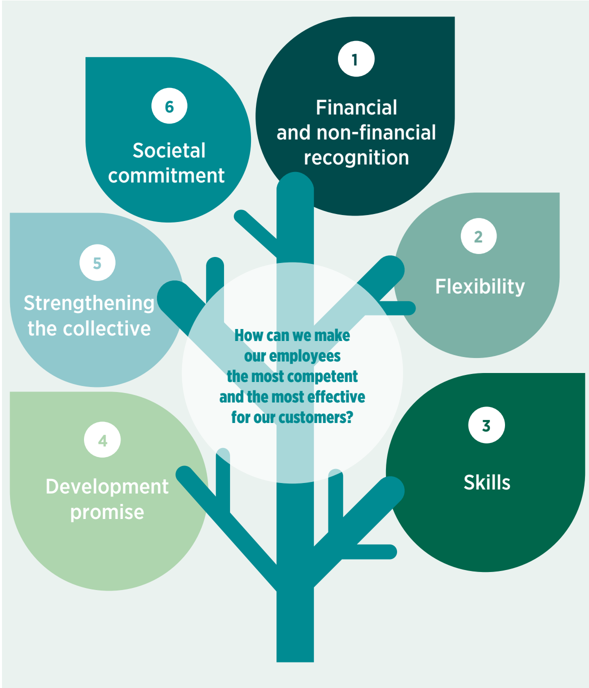
In a constantly changing environment undergoing multiple transformations, the Group aims to act as a responsible employer for its 12,661employees across 30 countries.

Indeed, in an increasingly digitised society, people are at the heart of Crédit Agricole CIB's success: the major challenges at the heart of the Human Project are attracting and retaining women and men, and providing them with a working environment in which they can flourish and develop their skills.

In response, Crédit Agricole CIB's approach, which is at the heart of the "2025 Ambitions" strategic project, is coordinated and comprehensive, centred around seven key themes in line with the Group Project:

- offering multiple career opportunities that strengthen the group as a whole;
- training employees throughout their careers, to support them in major societal and technological transformations;
- amplify diversity in all Crédit Agricole CIB and Group entities as well as within its governance;
- making a commitment to young people;
- offering an attractive working environment and promoting quality of life at work;
- sharing value creation, through financial and non-financial recognition;
- contributing to social progress.

In the second year of its 2022-2025 Medium-Term Plan, the areas for action identified below support the Group's organisational, managerial and cultural transformation, thereby encouraging accountability for all and the development of the Group's human culture at the heart of its Human Project.



Our achievements in 2023

- Supporting growth by developing skills, in particular by rolling out the "On the move in your career" week and the ESG Academy, with a view to training 100% of employees by the end of 2025;
- extending the roll-out of 28-day paid paternity leave to all Crédit Agricole CIB employees worldwide, with a view to covering 100% of employees by the end of 2025;
- accelerating the implementation of managerial transformations and maintaining the commitment of all employees through their accountability;
- supporting the development of working methods and tools by paying particular attention to quality of life at work through a "We Care" survey on the topics of health, quality of life at work, working conditions and psychosocial risks;
- promoting an inclusive environment in favour of all forms of diversity with the roll-out of the Diversity Mural workshops programme and organising the first annual Duo Day to promote the integration of people with disabilities.

EMPLOYEES' INVOLVEMENT IN SOLIDARITY INITIATIVES

Crédit Agricole CIB has built an active corporate patronage and partnership policy based on strong themes in line with the Crédit Agricole Group's societal project and regional roots. True to its values of solidarity and closeness, the Crédit Agricole Group has historically paid particular attention to initiatives that improve education, public health and environmental conditions, and access to culture in France and abroad.

Crédit Agricole CIB's work is based on solidarity patronage, cultural patronage, protection of the environment and biodiversity, and support for research and innovation.

Solidarity patronage in France and abroad

For more than 10 years, Crédit Agricole CIB has been supporting various causes through its “Solidaires By Crédit Agricole CIB” programme:

Coups de Pouce Solidaires, supports employees in their commitment to associations. The Bank launches a call for charitable projects and financially supports selected initiatives in the fields of solidarity and social inclusion, the environment, education and health in France and abroad. This system is available in the United Kingdom, under the name Helping Hand.

Solidarity events allow employees to participate in charitable actions to support the poorest in society: collecting toys, clothing, food, and preparing and distributing meals. The *Téléthon de la Communauté Financière* (Financial Community Telethon) is a major collective commitment benefiting research and patients. Solidarity Week, held annually since 2022, saw a number of solidarity events take place in France and abroad. Organised locally, the coordination of events around a common theme encourages employees to get involved.

Payroll giving offers employees the option of making a monthly donation, matched 100% by Crédit Agricole CIB. The associations that currently benefit from the scheme were voted for by employees. These are *APHP Hôpital Necker, Institut Curie, Entourage, Cartable Fantastique*, and Pure Ocean. Regular consultation is planned on future beneficiary associations.

Skill-based volunteer missions allow employees to devote their time and/or skills to an organization and a specific assignment.

In **emergency** situations, Crédit Agricole CIB also supports the Crédit Agricole Group’s initiatives. In 2023, the Bank contributed to the Ukraine emergency fund set up by Group to help families affected by the war. Crédit Agricole CIB supported the association, Acted, in 2023 on a project to rehabilitate infrastructure that was damaged, destroyed or already obsolete before the conflict, using more environmentally friendly materials.

Partnerships may also be developed in line with the Group’s priorities and in partnership with the umbrella foundations. In 2023, these include the partnership formed between *Crédit Agricole Solidarité et Développement*, Crédit Agricole CIB and *EquiAction*, the endowment fund of the *Fédération Française d’Équitation* on the topic of ageing well and the inclusion of seniors. Residents of residential care homes benefited from equine-guided mediation sessions, therapeutic support provided by the presence of the horse, with major impacts on memory, communication, social connection, mobility and motor skills.

Internationally, Crédit Agricole CIB has developed long-standing partnerships with associations.

In the United States, in the healthcare and medical research sector, Crédit Agricole CIB supports The Bowery Mission and New York Cares, which works in the field of education and children.

In the United Kingdom, the Bank helps to combat precariousness, instability and exclusion through the Charity programme.

In Italy, Crédit Agricole CIB supports Save the children, which seeks to ensure that children around the world have access to care, food, shelter and education. It also supports *Banco Alimentare*, which collects and distributes food to the poorest in society.

In the Asia-Pacific region, Habitat for Humanity helps the most disadvantaged in society by building or improving decent living spaces.

In 2023, the Bank contributed to the Group’s solidarity initiates through its three foundations: *Crédit Agricole Solidarité et Développement* (Solidarity and Development Foundation), *Fondation Pays de France* (French Regions Foundation) and FARM. Crédit Agricole CIB has been supporting the Plastic Odyssey expedition since 2019, focusing on environmental protection and financial inclusion and offering alternatives to plastic consumption.

INDOSUEZ WEALTH MANAGEMENT

In 2023, Indosuez Wealth Management continued its sustainable and responsible commitment, driven in particular by the concrete solidarity initiatives of its employees:

- **Through its Foundations:**

Since 2012, the Indosuez Foundation in France, under the auspices of the *Fondation de France*, has been involved in concrete charitable initiatives to support vulnerable people: elderly people, disabled people, teenagers or young adults who are victims of addiction or high-risk behaviour.

Almost 100 associations have thus benefited from skills sponsorship and donations of professional time by more than one third of employees in France, in addition to the financial support that is key to project development. In 2023, the Foundation was rolled out in Indosuez Wealth Management’s other European Union offices (Luxembourg, Italy, Spain and Belgium), thereby involving new teams and new associations in these countries, that previously fell outside the system.

Since its establishment in 2012, the Indosuez Foundation in Switzerland has funded 40 environmental projects with a high economic and social impact in Switzerland and around the world. They aim to support local communities through projects that promote, in particular, the dissemination of knowledge, the emancipation of young people and the protection of natural heritage.

- **Through skills sponsorship and “Citizen Days”:**

The “Citizen Days” corporate volunteering programme and skills sponsorship provide employees with the opportunity, each year, to dedicate time to causes close to their heart. In 2023, a first “Citizen Day” was organised in France to supplement the existing skills sponsorship programme.

By way of example, Indosuez Wealth Management’s employees in Luxembourg gave up their working time and shared their knowledge with local associations that promote inclusion through skills-based sponsorship workshops. A number of projects have been carried out, including a project to inform migrants who need to open a professional bank account about anti-money laundering and anti-terrorism regulations in cooperation with the Touchpoints association, and training on accessing employment for refugees aimed at helping them to understand the labour market in Luxembourg, in collaboration with CARITAS.

- **Through its corporate patronage policy:**

Since 2016, CFM Indosuez, a subsidiary of Indosuez in Monaco, has worked with AMADE *Mondiale* (World Association of Children’s Friends), which was established more than 50 years ago by Princess Grace of Monaco; since 2019, CFM Indosuez has also supported projects aimed at children and young people in Monaco and France (PACA region), led by associations recognised for their professionalism and the relevance of their actions; in the field of youth work and education, in the broad sense, Indosuez Wealth Management also sponsors the *Fondation de la Vocation* in France, which provides young people aged 18 to 30 and selected based on the authenticity and intensity of their vocation with financial support to achieve that vocation. A rafle was organised by Indosuez Wealth Management for the benefit of the association *Aide aux Enfants Handicapés du Grand Duché*, which provides moral and financial support to children with physical disabilities, as well as disadvantaged children living in the Grand Duchy of Luxembourg.

The Indosuez Wealth Management Group is also committed to the environment and the protection of the oceans. Through a solidarity-based structured product named “Blue Cycle” offered to its clients in 2022 and through direct donations, the group seeks to contribute to the protection of marine biodiversity (partnerships have been entered into with the *Fondation de la Mer*, Plastic Odyssey, *Institut Océanographique de Monaco et le Conservatoire Mondial du Corail*). In 2023, Indosuez Luxembourg participated in the creation of the Fondation Climat, associated with the Fondation de Luxembourg, which is its main sponsor (this new foundation will aim to bring together donors and projects seeking to have an impact in the field of climate change and the protection of biodiversity).

- **Via its partnership with the *Planète Urgence* association:**

Indosuez Wealth Management offers its employees the opportunity to take solidarity leave and actively participate in projects created and managed by local players in different countries around the world. For 2 weeks (over the period of their leave), the selected employees provide technical assistance (transfer of skills) to solidarity projects, and projects involving cooperation, development or protection of the environment, thereby helping to strengthen the autonomy of the populations concerned.

- **Through internal awareness-raising actions with employees:**

Collections of clothing and toys are organised as well as charity sales and workshops in the various regions.

◆ Cultural sponsorship

Crédit Agricole CIB France pursues an active policy of sponsoring cultural events by supporting projects that encourage artistic creation, the transmission of cultural heritage, its influence worldwide and promoting access to all audiences.

In 2023, Crédit Agricole CIB continued its support of the *Opéra National de Paris* and the Festival International d’*Art Lyrique d’Aix-en-Provence* and renewed its partnership with *Abbaye aux Dames*.

Internationally, Crédit Agricole CIB supports a number of cultural institutions: El Teatro Real in Madrid, The National Gallery in London, and the Museum of Modern Art (MoMA) and the Metropolitan Museum of Art (Met) in New York.

INDOSUEZ WEALTH MANAGEMENT

Indosuez Wealth Management in France is a partner of the 2023 Prix Balzac, a major French artistic prize, as well as the Zaïde Quartet, a quartet of young classical musicians.

Already a partner of the prestigious Philharmonie Luxembourg concert hall since it was founded, Indosuez now supports the newly established Luxembourg Philharmonic Orchestra Academy, which offers seven young international musicians high quality training in Luxembourg over two years.

In Monaco, Indosuez Wealth Management extended its commitment to the Prince Pierre de Monaco Foundation, now chaired by H.R.H. the Princess of Hanover and which aims to promote contemporary literary, musical and artistic creation, in three years.

These partnerships are part of the Bank’s general efforts to support the arts, which include partnerships with the Ballets de Monte-Carlo, the *Ballet du Grand Théâtre de Genève*, the *Philharmonie* Luxembourg, *Art en Vieille Ville* and support for young contemporary artists.

The promotion and transmission of excellence, know-how, tradition and passion, and also creativity, are at the heart of Indosuez’s mission and connect it to the art world.

LINKS WITH SCHOOLS AND SUPPORT FOR UNIVERSITY RESEARCH

Crédit Agricole CIB maintains a strong presence with schools through various types of partnerships.

Since 2006, Crédit Agricole CIB has been a partner of the Chair of Quantitative Finance and Sustainable Development at *Paris Dauphine* University and *École Polytechnique*. This multidisciplinary project, supported from its inception by Crédit Agricole CIB, is unique in that it brings together specialists in quantitative finance, mathematics and sustainable development. One research area studied by this Chair since 2010 involves the quantification of indirect impacts of the financing and investment activities, particularly greenhouse gas emissions induced by the activities of the Bank’s clients. This partnership was renewed at the end of 2021 for 5 years.

One of the solid achievements of this research is the SAFE (previously, P9XCA) methodology referred to above. Crédit Agricole CIB has played an important role in disseminating this work to other financial institutions. In 2014, the Bank took an active role in the sector approach recommended by French organisations promoting corporate social responsibility ORSE, ADEME and ABC. This approach seeks to produce a practical guide listing the methodologies and tools to help the various financial stakeholders (banks, insurance companies, asset managers) assess their direct and indirect GHG emissions.

A PhD that was begun in 2018 and supported in 2021, concerned the climate risks that could affect banks, particularly in relation to the assessment of scenarios and country risk. This work is focused on assessing the transition risk by country category based on quantitative data and qualitative analysis and aims to go beyond the contributions taken into account at the national level (NDC).

Since 2019, Crédit Agricole CIB has also been a partner of the FinTech/Digital Finance Chair at *Université Paris Dauphine* through a partnership agreement aimed at the emergence of an ecosystem combining research, teaching and entrepreneurship on the topic of digital finance. This agreement also enhances relations between partners, academic institutions and students from *Paris Dauphine*.

Crédit Agricole CIB is also a partner of the HEC Foundation on a “Corporate Initiative” dedicated to mergers and acquisitions. Thanks to the Corporate Initiative (M&A certificate), HEC Paris students acquire new skills and have access to new professional opportunities. HEC Paris’s teaching enriches exchanges with Crédit Agricole CIB within an innovative and unique academic ecosystem. Most of the training is provided by professionals who cover all areas of mergers and acquisitions.

In 2021, Crédit Agricole CIB became a partner of the “*La Physique autrement*” Chair at Paris-Saclay University, which explores new ways of popularising and teaching physics, with a view to communicating with the general public.

In 2021, Crédit Agricole CIB also became a partner of the EDHEC Business School’s “Climate Change & Sustainable Finance” Master of Science programme. This course, developed jointly by the EDHEC Business School and Mines ParisTech, aims to train future finance professionals in sustainable finance objectives and integrate environmental, social and governance factors into their future decisions.

In 2022, Crédit Agricole CIB became a partner of the “Probabilities, Statistics and Modelling” Laboratory at the University of Paris funding a Research Chair on “Modelling and Calculation for the Investment Bank of Tomorrow” which aims to meet the need for an increased number of calculations to be carried out by investment banks following the increase in regulation and the development of machine learning techniques.

Crédit Agricole CIB, as part of its sustained policy of recruiting young people, is promoting "Campus management" partnerships with other target institutions such as Dauphine University, *Centrale Supélec*, the University of Versailles – Saint-Quentin-en-Yvelines, EFREI and, since 2023, ENSAE. Since the start of the 2023-2024 academic year, Crédit Agricole CIB has supported the third intake of the "Back-Office – Middle-Office in CIB" professional degree course at the University of Versailles – Saint-Quentin-en-Yvelines in partnership with the Crédit Agricole Group's work-study training centre (DIFCAM), hosting a group of 16 work-study students. Crédit Agricole CIB's contribution to this partnership is twofold: a number of work-study students are brought into Crédit Agricole CIB's teams (ten for this class), and some lessons are led by experts from Crédit Agricole CIB's Operations business line (9 experts involved in this academic year).

MULTIPLE OPPORTUNITIES

◆ Attract talent, developing our employees, preparing succession plans

DEVELOPING AND SUPPORTING OUR TALENT

At Crédit Agricole CIB, the members of the Management Committee, managers and Human Resources have been working to identify and manage talents for several years now. This approach, which is part of the Crédit Agricole S.A. Group policy, aims to retain and develop employees with significant potential. It also aims to prepare succession plans for the Bank's strategic positions by strengthening diversity and internationalisation.

The Bank's talents are offered special development opportunities which combine Groupwide programmes and specific Crédit Agricole CIB programmes. Initiatives for high-potential employees are also offered locally, by region or country.

The Bank supports its female talent, both in France and abroad, through a range of leadership development programmes. The programmes' objectives are to provide women with the keys to strengthening their strategic positioning, developing their networks and progressing within management bodies.

A new programme was rolled out in 2022, aimed at young female talents, allowing young women to identify and anticipate the stages of building a career as soon as possible and understand how to navigate the critical balance between skills, visibility and networking.

In 2023, Crédit Agricole CIB rolled out the pilot of a new programme called "Career Capital" aimed at enabling all employees to analyse their motivations, talent and resources with a view to becoming aware of their professional skillset.

Leadership programmes dedicated to female talent are also being rolled out at **Indosuez Wealth Management** to promote diversity throughout the organisation. In addition, at Indosuez Wealth Management and Azqore, the annual Together seminar is attended by around fifty participants each year, giving them an opportunity to strengthen their knowledge of the Group, its business lines and ambitions, and to develop their internal network. Through collaborative reflections on its strategic challenges and projects, each of them contributes to Indosuez Wealth Management's transformation.

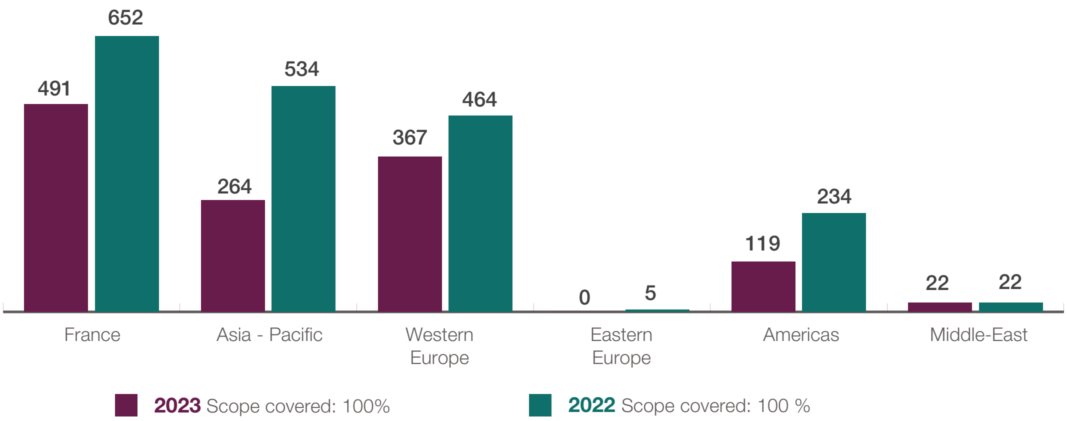
PROMOTE THE EMPLOYER BRAND AND DEVELOP EMPLOYEES

Crédit Agricole CIB has an active recruitment and talent identification policy, in France and abroad, to meet the needs of its business lines. By strengthening its partnerships with universities and schools as well as its presence on campuses, the Bank aims to promote its expertise and its international network in order to attract future talents. It also aims to strengthen connections between the academic and business spheres. In 2023, more than 120 events, digital and in-person forums, were organised, including a hundred in France, in partnership with schools and universities. Over 200 managers and employees joined the HR teams again in France in 2023 for these events to share their experience with students and attract new talents to their teams.

The Bank is setting up specific educational partnerships in France and internationally. In 2023, Crédit Agricole CIB continued coordinating its various strategic partnerships with schools and universities. In order to enhance its appeal to engineering students, the Bank also entered into a new partnership with the *École nationale de la statistique et de l'administration économique de Paris* (ENSAE).

Mindful of reaching out to as many people as possible, the employer brand of Crédit Agricole CIB is active on the Bank's social media networks, LinkedIn and Twitter. With 76 publications in 2023, the Bank was able to promote its commitments, share experiences from recently recruited employees and display career opportunities at the Crédit Agricole S.A. Group and at Crédit Agricole CIB to potential candidates.

▶ **Recruitment by geographic region[(1)] (Permanent contract)**



(1) Including the consolidation of school trainees, work-study contracts and fixed-term contracts into permanent contracts.

PROMOTING EMPLOYEE MOBILITY

Internal mobility is a major aspect in employee skills development, by enabling them to evolve within the Bank and the Crédit Agricole Group.

In a world in which businesses and skills are changing rapidly, Crédit Agricole CIB, as part of its Human Project, gives all employees the opportunity to become the leading player in their development by encouraging them to take responsibility in increasing their employability.

Crédit Agricole CIB's dedicated portal, MyJobs, which can be accessed by employees in France and internationally, covers all available Corporate and Investment Banking positions and all available roles within the Crédit Agricole S.A.

Various systems have been set up to support employees with the Crédit Agricole CIB: mobility committees, events and workshops, individual support and digital journeys. These initiatives also create a more cross disciplinary approach and develop mobility culture.

In addition to these measures, Crédit Agricole CIB provides all its employees (including interns and work-study students) with access to a digital career and skills management solution: 365Talents.

365Talents is an initiative to enhance the employability of all employees by identifying and promoting the company's individual and collective skills and strengths.

The solution allows employees to be actors and responsible for their career and employability: employees can value their experience, skills and aptitudes, visualise the profiles and skills of their colleagues and have access to suggestions for internal opportunities within the Crédit Agricole Group on the basis of skills matches made using artificial intelligence.

The 365Talents competency map enables the company to take stock of its current situation and better define and anticipate its current and future competency needs.

Each year, around one hundred employees receive individualised support from the HR Mobility team. Remote workshops are also organised each month on advising employees how to think about their career plans, write their CVs and prepare for their recruitment interviews.

In 2023, the *Déclic Mobilité* schemes and the *Oxygène* programme provided in-depth support to around thirty people in their mobility projects. In the same year, new events, named "Mobility Corners", were offered, allowing nearly 150 employees to talk fully confidentially during 20-minute interviews with an HR contact (HR Manager or Mobility Expert) to answer their Mobility-related questions. Several communication initiatives also promoted mobility support schemes in 2023.

Crédit Agricole CIB actively participates in the events organised by the Group (*MobiliJeunes* and *MobiliJobs*). In 2023, it also developed its annual mobility event - Mobility Week - into a week dedicated to professional development and skills development. Called "On the move in your career", this event offers employees personal development workshops and tools (pitching, self-marketing, etc.), meetings to learn about the Bank's business lines, as well as a conference and webinars on ESG issues and opportunities. 1,926 employees took part in workshops in France and abroad.

Indosuez Wealth Management is also very committed to promoting, encouraging and developing mobility, particularly through the use of internal communication tools. Thus, 184 transfers between Indosuez Wealth Management's business lines and 27 transfers of employees from the Crédit Agricole Group to Indosuez Wealth Management took place in 2023.

In addition, the HR policies supporting the international mobility of Indosuez Group employees have been harmonised in the various regions. This now Group-wide policy is available to all employees, who are made aware of the support they will be offered if they take up a position in another of Indosuez Group's regions of operation.

◆ Professional development: evaluation and training

PROFESSIONAL DEVELOPMENT: EMPLOYEE ASSESSMENT AND FEEDBACK CULTURE

Each year, employee appraisal and goal-setting meetings provide an opportunity to take stock of individual and collective performance, each employee's achievements and their development needs.

Since 2022, Crédit Agricole CIB introduced responsibility assessments via the My Dev application that enables employees to meet their expectations through more regular discussions, more personalised support and enhanced professional development.

98.7% of annual employee-manager appraisals were carried out through the 2023 global campaign. Once again this year, all employees in France, with at least 6 years' service at Crédit Agricole CIB, were given a recap Professional Interview to address career development issues and training needs.

In September 2023, Crédit Agricole CIB officially launched its feedback module dedicated to employee development in the My Dev application. The global communication on launch was accompanied by a conference on the art of feedback and entitled "Let's promote feedback at CACIB" hosted by Stéphane Moriou, a renowned author and speaker on the subject. It made Crédit Agricole CIB employees aware of the power of feedback as a tool for everyday development.

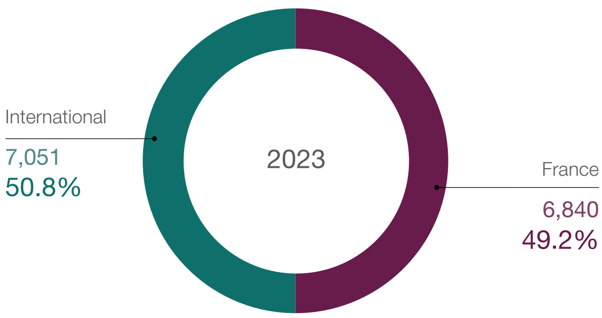
Indeed, strengthening the culture of feedback is an integral part of the Human Project, which aims to continue developing accountability, trust and our approach based on the strengths of each person. A dedicated space has also been created on the intranet, containing all information on the operation of the module, together with best practices and a training programme aimed at providing a better understanding of how to ask for, give and receive feedback.

Firmly believing that feedback is a tool for individual development and improvement of **Indosuez Wealth Management**'s collective performance, the Group also has a dedicated system called "5Feedback" which became "COSS by 5Feedback" in 2022. It allows all employees to request and receive personal development feedback within minutes. This tool helps to foster a new, more collaborative corporate culture that encourages initiative and accountability at all levels of the company. In 2023, the application was enhanced by a competency framework associated with the Human Project for managers and employees.

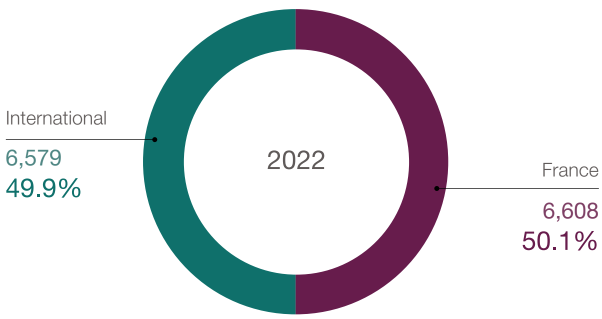
TRAINING

In a highly competitive and constantly changing environment, the development of employee skills is a key element in the Bank's strategy and the transformation of its business lines. As part of its Human Project, the Bank is doing everything possible to ensure that each position in the organisation is held by a motivated employee whose skills and performance meet the requirements and challenges of their position. Crédit Agricole CIB is also committed to enabling all employees to develop their skills and employability to prepare for the future. This approach is applied and harmonised globally to take into account the international dimension of the Bank's business and corporate culture.

▶ Number of employees trained



Scope covered: 97%



Scope covered: 98%

▶ Training themes

In number of hours	2023				2022	
Topics	TOTAL	%	O/w France	O/w International	TOTAL	%
Knowledge of Crédit Agricole S.A.	6,881	2.4	2,050	4,831	4,518	2.0
Management of people and activities	29,223	10.3	12,661	16,562	9,758	4.3
Insurance	1,903	0.7	1,440	463	2,913	1.3
Banking, law, economy	35,577	12.6	13,090	22,487	36,260	15.9
Financial Management (accounting, tax, etc.)	15,972	5.6	11,646	4,326	9,338	4.1
Risks	4,694	1.7	2,271	2,423	4,910	2.2
Compliance	76,491	27.0	36,419	40,072	80,807	35.5
Purchasing, marketing, distribution	210	0.1	44	166	300	0.1
IT, networks, telecoms	17,335	6.1	12,446	4,889	11,401	5.0
Office automation, software, NICT	14,338	5.1	5,810	8,528	10,759	4.7
Languages	22,881	8.1	6,062	16,819	20,553	9.0
Health and safety	9,105	3.2	4,722	4,383	10,527	4.6
Human Rights and Environment	11,139	3.9	6,589	4,550	1,672	0.7
Personal development, communication	26,194	9.3	13,295	12,899	16,709	7.3
Human resources	2,625	0.9	388	2,237	2,061	0.9
Method, structure, quality	8,365	3.0	5,441	2,924	5,060	2.2
TOTAL	**282,933**	**100**	**134,374**	**148,559**	**227,546**	**100**
Scope covered				**97%**		**98%**

Amplifying the cultural and managerial transformation

As key players in developing their employees' skills and implementing the Bank's strategy, managers – regardless of their level of experience – receive specific support.

One of the ambitions of Crédit Agricole CIB's Human Project and the aim of the Bank's accountability approach since 2020 is to engage and empower employees and remain close to the clients. This approach, which involves employees, managers and management teams, promotes the development of authentic leadership and employee accountability by relying on a strengths-based management approach and the involvement of teams through responsibility circles, i.e. on-the-ground coaching on topics chosen by the operational team itself with the support of the Open Decide tool to better understand the collective team dynamics.

In 2023, the roll-out of the process continued within the GIB/CIB, DAR and FCS teams and Europe, particularly in Germany and Italy.

Since 2012, Crédit Agricole CIB has implemented its Management Academy training programme in France and abroad, in order to develop a shared managerial culture.

The Management Academy is divided into 3 levels. The "Novice Learner" level is open to all employees who then have free access to digital modules on managerial topics via the Bank's international training portal. The "Expert Learners" and "Master Learners" levels are offered to operational managers and managers of managers. Redesigned in 2021 in terms of both content and format, the

Management Academy continued its worldwide roll-out, using both in-person and remote formats depending on the needs and cultures of the different countries, with 64 sessions provided in 2023 in all Hubs for Expert and Master learners.

At **Indosuez Wealth Management**, this approach to accountability has also continued. It meets the ambition of always improving client service, strengthening engagement and increasing the performance of teams, as well as improving efficiency. Phase 1 ended in 2022 with the training of 240 managers who received individualised support with an external coach in order to identify areas for improvement in terms of relational and human capital. They also took workshops to help them embody the principles of action of the human project on a daily basis (responsibility, discernment, trust and initiative).

Phase 2 also began in November 2022 with the implementation of mini-company experiments at team level in order to form a basis for changes in behaviour in operating methods and team interactions. The employees with their manager work with a coach to help them collectively brainstorm how to improve operations in order to increase client satisfaction (internal or external). At the end of 2023, more than 110 mini-company teams and nearly 1,200 employees were involved in phase 2.

Engaging each of our employees in societal transformations

In 2023, Crédit Agricole CIB continued to support the business lines in their transformation on, in particular, environmental and societal issues.

Crédit Agricole CIB has accelerated the development of its ESG Academy by offering training modules and certifications that meet the challenges associated with developing our activities, the needs expressed by the business lines and regulatory requirements. The training programmes are broken down by business line and by level of expertise, with a twofold objective: to provide employees with the training they need to develop their business activity, particularly in relation to the Group's Net Zero commitments, risk management, advice to clients, etc. and to comply with new ESG regulatory obligations. 40 modules have been created and deployed worldwide on the HRE-Learning platform.

As a responsible and committed employer, Crédit Agricole CIB rolled out the Climate Fresk workshops in more than 15 countries in 2023, offering more than 2,500 employees the opportunity to understand the challenges of climate change. This large-scale roll-out relies on a network of 50 internal facilitators who organise workshops for their colleagues and thus train them on the Bank's climate strategy.

At **Indosuez Wealth Management**, the IFCAM learning universe, dedicated to the societal project, was made available to all Indosuez employees in February 2023 on the Indosuez group e-learning platform. These resources supplement the "CSR by Indosuez" e-learning module, which has formed part of the induction process for all new hires since 2021.

At the same time, "highlights" sessions are organised throughout the year at global events to provide all employees with the opportunity to learn about CSR-related topics. For example, each year, a special effort is made during the *semaine du numérique responsable* (responsible digital week), in the form of awareness-raising workshops or the sharing of eco-friendly behaviour with a view to limiting the Group's "digital footprint". They are used to explain the strategy and achievements (replacement of fixed computers by laptops with much lower power consumption, choice of less energy-intensive technologies, extension of the life of equipment, optimisation of data centres at the subsidiary Azqore which hosts the majority of data, etc.).

Adapt business lines and skills to technological changes

In order to guide employees as they navigate the technological changes in their working environment and raise their awareness of innovation, in 2023 Crédit Agricole CIB enhanced its training courses on artificial intelligence (level 2) and Python (level 3), among other topics. As a result, complete training courses are now available.

Since its creation in 2021, more than 100 alumni have taken the AI level 3 training course: machine learning through practice, launched in partnership with the innovation teams.

Training programmes specific to each business line have also been rolled out to help Crédit Agricole CIB experts develop their information security skills and thus better anticipate and manage risks.

To adapt its business lines and make the best use of technological developments, **Indosuez Wealth Management** conducts around twenty core digital projects led by Product Owners. The role of these volunteer employees is to coordinate all the participants needed to create the value of their project and, aided by a product team (developers, designers, production, etc.), obtain user feedback in order to develop more value-added functionalities. These employees benefit from the support of the digital teams in their introduction to agility and rely on the group's Innovation Lab, which opened in 2020 to hold co-creation workshops enabling clients and prospective clients to participate in the innovation process and projects.

Deepening cross-functional skills

The training offer at Crédit Agricole CIB is designed to encourage curiosity. All employees are involved in determining their own training and can freely access the HRE-Learning training platform. Thanks to solid partnerships with key players in the field of training, Crédit Agricole CIB is constantly improving the content of its digital training offering so that its employees are able to develop their skills independently, in line with the accountability-based approach.

As part of the overhaul of its training platform in March 2023, Crédit Agricole CIB opted to maintain and upgrade several cross-functional academies: Induction Academy, Digital Academy, Project Academy, Risk Academy, Management Academy and ESG Academy. Alongside this digital offer, employees are offered classroom-based training i.e. face-to-face or in a virtual classroom.

All of these measures are complementary and serve to improve cross-functional skills. For example:

- Concerning the Risk Academy: following the redesign of the "Risk Essentials" course and the relaunch of the programme in 2022, 4 new classes have been introduced in 2023 thanks to a pool of in-house experts who are responsible for all of the courses, helping to strengthen the risk culture of almost 80 employees worldwide.
- As regards the Project Academy, more than 445 employees have benefited from project management training provided by IFCAM or our business experts (TAO training or training in understanding agile).

Finally, in order to meet regulatory requirements and make employees more accountable, "My Mandatory Learning Camp" was offered in 2023. This programme allows employees to manage their training schedule independently. Mandatory and/or regulatory training courses are provided in three waves between March and September and must be completed by the end of October.

At **Indosuez Wealth Management**, a monthly communication was put in place to invite employees to develop their Soft Skills. Each month, they receive dedicated information, shared between all regions and referred to as the "My Learning Corner" allowing them to discover the tools, training and events available to them.

These tools include the Indosuez Wealth Management Digital Academy, a library of content and online tools launched two years ago and regularly expanded. Employees are able to work at their own pace, at the time and place that suits them best, on a variety of topics: languages, office automation, new technologies, CSR, etc. Themed "lunch&learn" events are also organised and are often hosted by external professionals.

STRENGTHEN THE GROUP'S COMMITMENT TO DIVERSITY

As part of its 2025 Medium-Term Plan, Crédit Agricole CIB is stepping up its policy of promoting diversity, an essential component of Crédit Agricole S.A.'s identity and its strategy of universality. The managerial transformation sought by the Group, which is the cornerstone of its Human-centric project, can only be achieved by strengthening an inclusive environment and diversifying its teams.

To this end, Crédit Agricole CIB pays particular attention to:

- achieving gender equality in all its activities and at all reporting levels of its organisation;
- fulfilling its commitments in the areas of youth and disability;
- strengthening its inclusive and responsible environments, open to all differences; and
- engaging all employees, with exemplary leaders who value equal opportunity.

◆ An inclusive company

Because imbuing employees with a sense of belonging also means recognising what makes them unique, Crédit Agricole CIB is committed to creating a tolerant and open working environment allowing everyone to express their potential. In order to combat all forms of discrimination, regular awareness-raising actions are deployed. An annual diversity event has been organised since 2011 and represents a key moment in reflection and awareness among Crédit Agricole CIB employees.

In 2023, Diversity Month, which took place in November, offered an opportunity to create forums for discussion around diversity and inclusion via conferences, informative materials, events and presentations by members of the Executive Committee and role models.

This year, the emphasis was on parenthood, a major equality and diversity issue. A conference dedicated to this topic promoted the support schemes, the benefits offered to parent-employees and the international roll-out of paternity leave, which forms part of the Group's Human Project.

The "Fresque de la mixité" diversity programme was also offered to employees in France in order to raise their awareness and engage them on gender diversity issues.

Crédit Agricole CIB also organised its first DuoDay on which a company welcomes a person with a disability. The person is supported by a volunteer employee and, together, they form a pair for the day (learning about the work, active participation, immersion in the company). This day provides people with an opportunity to change their perspective and overcome prejudices, and seeks to enhance the visitor's career prospects.

INDOSUEZ WEALTH MANAGEMENT

Ahead of Diversity Month, a Group initiative rolled out by Indosuez Wealth Management in all its regions, focus groups on diversity and the feeling of inclusion were led by Me&YouToo. 10 workshops were organised in Monaco, Paris, Geneva, Luxembourg and Lausanne to obtain feedback on the perception and expectations of employees and managers in terms of the representation of diversity (diversity, sex, age, cultural diversity, etc.). This analysis and the resulting potential areas for action supplement a proactive and multi-directional action plan.

◆ Gender equality at work

Firmly believing that diversity is a powerful driver of performance and innovation, Crédit Agricole CIB has employed a proactive diversity policy for several years now to ensure that its corporate culture is more inclusive.

To identify the main issues and measure the effectiveness of its diversity policy, Crédit Agricole CIB regularly analyses its gender distribution indicators in view of established goals.

In order to promote professional equality between women and men, the Bank has been implementing actions for a number of years to ensure balanced job recruitment and equal pay, train employees on the principles of professional equality and non-discrimination, help all employees to boost their employability, and roll out initiatives in favour of parenthood. They are the main pillars of the professional gender equality agreement renewed in France in 2021 for a period of 3 years.

In France, the Bank also offers all its employees returning from maternity leave the opportunity to take part in workshops led by an external coach on the theme of "Reconciling career and motherhood".

Crédit Agricole CIB also offers its employees in the Paris and other regions 40 nursery spots, in partnership with the *Babilou* network of nurseries, and 30 nursery spots in the *Maison Bleue* nursery near the Saint-Quentin-en-Yvelines Park campus. Allocation of nursery spots is based on social criteria.

Crédit Agricole CIB also offers its employees emergency or occasional childcare arrangements in over 450 nurseries for children from four months to three years, also in partnership with the *Babilou* network.

The effects of all these initiatives and systems are reflected in Crédit Agricole CIB's gender equality index, which stood at 85 out of 100 once again in 2023.

Lastly, Crédit Agricole CIB also supports the networks created by female employees, such as CWEEN launched in 2008 in India, *Potentielles* in France, Crédit Agricole CIB Women's Network (CWN) in New York in 2010, SPRING in London in 2015, RISE in Hong Kong in 2016, WING in Tokyo in 2017, CARE in South Korea, MORE in Taiwan, Gulf Women's Network in Dubai in 2018 and EQUAL launched in Singapore in 2020. In Italy, the partnership with PWN Milan (Professional Women Network) allows employees to access a specific mentoring programme, participate in remote workshops and training, and discuss their careers with other women. In 2023, we increased the internal visibility of these 10 networks in order to raise awareness of local initiatives and the approach adopted by each network to create a more diverse and inclusive workplace.

In addition, as the long-standing partners of the *Financi'Elles* federation, Crédit Agricole S.A. and Crédit Agricole CIB reaffirmed their commitment to introducing ambitious Human Resources policies in the area of gender equality by signing, in November 2021, the *Financi'Elles* Charter of Commitments on the 10-year anniversary of the federation of the Banking, Finance and Insurance networks.

INDOSUEZ WEALTH MANAGEMENT

Indosuez Wealth Management places diversity at the heart of its Human Project and has rolled out a dedicated action plan sponsored by the Group's Executive Management.

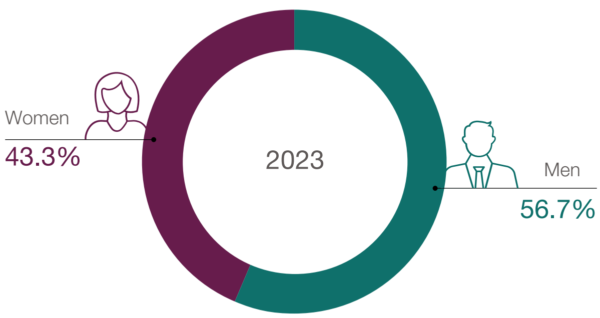
The variety, consistency and results of the measures adopted have now been recognised, with for example for France, a gender professional equality index of 87/100 in 2023. The results obtained were also recognised by the "Women in Wealth Management 2022" (WealthBriefing Swiss) award in Switzerland and the "Diversity & Inclusion" award (WealthBriefing Asia). These awards testify to the relevance and effectiveness of the action plan deployed under the Human Project to ensure fairness, diversity (development of potential, creation of networks, career development and succession planning, compensation) and make the team as a whole a source of value in which individuality can be expressed.

In 2023, a new Mentoring promotion was launched by the members of the Executive Management Committee of CA Indosuez, with the creation of 15 paired executive managers and female employees from all entities and reflecting the diversity of the business lines.

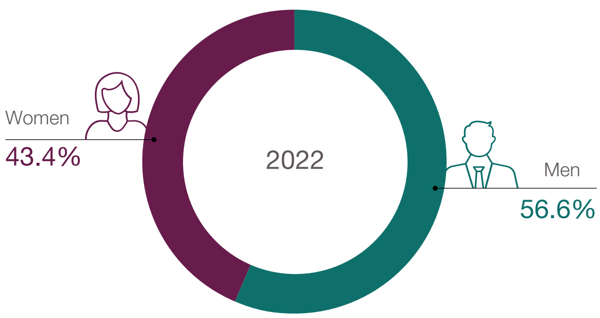
The aim of this initiative is to help experienced female employees reflect on how to move forward with their professional development while benefiting from the advice and experience of the Group's senior managers, building bigger networks within Indosuez, and expanding knowledge of the various business lines and organisation on both sides. Indosuez's MTP, "2025 Ambitions", aims to step up diversity, with 40% women in senior management bodies (target of 40% women reached at 31 December 2023).

In 2023, Indosuez Wealth Management is continuing to roll out its *Tremplin* programme, offered to 30 female employees at the start of their careers from France, Monaco, Luxembourg and Switzerland, who are supported by an expert coaching and leadership development firm that helps them to take charge of their career plans and overcome their own biases.

▶ Breakdown of workforce by sex



Scope covered: 100%



Scope covered: 100%

▶ Breakdown of headcount by level/sex (permanent employees in France)

	2023		2022	
In %	Executives	Non-executives	Executives	Non-executives
Headcount in France	97.4	2.6	96.6	3.4
O/w women (%)	95.6	4.4	94.3	5.7
O/w men (%)	98.8	1.2	98.5	1.5
Scope covered in France		**100%**		**100%**

▶ Proportion of women

	2023		2022	
In %	%	Scope covered	%	Scope covered
Among all employees	43.3	100%	43.4	100%
Among permanent contract staff	40.8	100%	40.1	100%
Among CACIB Executive Committee	18.2	100%	18.2	100%
Among CACIB managerial circle 1[(1)]	13.8	100%	17.2	100%
Among the top 10% of highest-earning employees in each subsidiary (fixed compensation)	20.7	99%	19.6	99%

[1] *From 2023, is only indicated managerial circle 1.*

◆ Disability policy

For many years, the Crédit Agricole S.A. Group in France has promoted the employment of persons with disabilities through job retention and awareness initiatives and also through recruitment from the sheltered and disability-friendly sectors. The 7th Group Disability Agreement for 2023-2025 is a logical continuation of the efforts made over the last fifteen years and covers all Group entities, including Crédit Agricole CIB and Crédit Agricole Wealth Management.

To that end, Crédit Agricole CIB implements a policy that promotes the inclusion and recruitment of people with disabilities in France and abroad, in partnership with specialist recruitment firms and with the implementation of a process for co-opting work-study trainees and interns (6 recruitments of work-study trainees in 2023).

Health prevention and retention of persons with disabilities are at the heart of the Bank's concerns. A dedicated multidisciplinary team (head of disability integration, a prevention and occupational health Department and social services) ensures the proper integration and retention of employees in conjunction with the Group's central disability team.

To support them at work, Crédit Agricole CIB adapts workstations and the working environment: ergonomics studies (ergonomic chairs, ergonomic mouse and keyboard), specially adapted computer equipment (screens, special software for employees with visual impairment, voice dictation software), use of the Tadéo and Roger Voice telephone support, Teams subtitling, adapted headsets for hearing-impaired employees, introduction of additional remote working days, additional paid leave for doctors' appointments, and use of sign language translation for conferences and training courses. This individual support can also take the form of tailored training, psychological monitoring, or coaching.

For several years, Crédit Agricole CIB has communicated and raised awareness among employees through Diversity Month and has participated in the European Disability Employment Week (EDEW).

In China, Crédit Agricole CIB launched the "Mentorship Programme to Youth with Disabilities": it offers coaching to young persons with disabilities to improve their skills and professional confidence before they join the workforce.

Indosuez Wealth Management in France also has a support system dedicated to persons with disabilities or employees returning to work after an extended sick leave. The Integration & Disability Manager works on a confidential basis to raise awareness among employees and managers on how to recognise disability and on measures to maintain employment which may be implemented.

They also work with managers to prepare the way for employees returning to work after an extended absence, ensuring that they receive a warm welcome and are informed of any changes having taken place during their absence (organisation, tools, procedures,...).

◆ A major commitment to young people

Keen to support young people in finding employment, Crédit Agricole CIB pursues an active policy in favour of their occupational integration in France and abroad. In 2023, the Bank maintained an ambitious policy on the recruitment of young people to prepare for the future, integrate new generations and attract talent.

As a result, the number of work-study employees and trainees hired in France picked up. In 2023, 477 trainees, 288 work-study employees and 71 VIEs (International Volunteers in Business) joined the Bank. In 2023, our satisfaction surveys showed high levels of satisfaction among the interns and work-study students who joined us. In fact, for more than 80% of them, Crédit Agricole CIB's image improved over the course of their period of work experience and 95% would recommend Crédit Agricole CIB as an employer (based on 326 respondents – December 2023).

Crédit Agricole CIB also participated in the *Mobilijeunes* event organised by Crédit Agricole S.A., which aims to help young people find jobs by offering workshops (pitches, CV preparation, etc.), conferences, and promoting fixed-term and permanent contracts. Other community events are also offered once a month to offer young people guidance during their integration and teaching them about buiness lines available with the company.

Through its internships, work-study placements and VIE positions, Crédit Agricole CIB identifies the highest-potential employees and creates a Global Junior Pool. In 2023, nearly 60% of junior positions (0-2 years of experience) based in France were filled by young people from the pool.

At some of its locations, Crédit Agricole CIB also offers students the opportunity to join the Bank through dedicated pathways that can involve internships lasting from 10 weeks to 2 years. This is the case for example in New York, London, Hong Kong SAR and Frankfurt. In Hong Kong SAR, the Bank is supporting young graduates as they embark on the beginning of their careers as a member of the "Banking Talent" programme of the Hong Kong Monetary Authority (HKMA). Through this programme, young professionals join a Crédit Agricole CIB Department for a six-month period, supplementing the training provided by the HKMA.

In accordance with Group policy, Crédit Agricole CIB participates in numerous activities promoting the diversity of new hires.

To ensure equality, job offers are published on the Crédit Agricole CIB and Crédit Agricole Group job sites. They are also published on specialist recruitment sites and on JobTeaser, a recruitment platform in schools and universities. After applying online, applicants for internships, work-study contracts, VIEs or permanent contracts for young graduates must take online aptitude tests before being invited for an interview.

As part of the Human Project and their societal commitments, the Group and Crédit Agricole CIB are committed as a responsible employer to fostering diversity and integrating young people and individuals excluded from employment. In 2022, the Bank strengthened its partnerships with key players such as "*Nos Quartiers ont du Talent*" (NQT) and the "A Network for All" alliance by LinkedIn and LinkedOut led by the *Entourage* organisation.

Since the health crisis, the **Indosuez Wealth Management group** has continued to support the integration of young people in the world of work. The number of work-study and VIE contracts has thus increased steadily since 2019 (34 work-study participants in 2019 and 23 VIEs versus 52 work-study participants and 104 VIEs in 2023). Indosuez Group (Azqore & Indosuez Switzerland) is now the leading employer of VIEs in Switzerland.

Under Indosuez Wealth Management's MTP, "2025 Ambitions", it plans to further step up the integration of young people through employment and training with 400 youth contracts over the duration of the plan.

A LARGE-SCALE MOBILISATION OF EMPLOYEES TO WELCOME 9TH-GRADE PUPILS FROM PRIORITY EDUCATION NETWORKS (REP+ AND REP)

For the fifth consecutive year, the Group took part in France's "*MonStagede3*^{e}" (my 9th-grade internship) scheme to offer high-quality internships to ninth-grade pupils.

As a responsible employer, this societal goal is part of Crédit Agricole S.A.'s "2025 Ambitions" Youth Plan.

The Group's commitment to supporting secondary school students continued for Crédit Agricole S.A. in 2022, with the aim of also helping to counter self-censorship among young girls, in order to encourage them to opt for tech and digital careers.

For this additional objective, Crédit Agricole S.A. has joined forces with Jobs In Real Life (JobIRL), a non-profit educational and social organisation that helps students build their career plans, to create a tailor-made programme called "*Les Intrépides de Crédit Agricole S.A.*".

The first class of "*Les Intrépides de Crédit Agricole S.A.*" was formed to raise awareness among schoolgirls on the issues of gender equality and to encourage the deconstruction of stereotypes.

Overall, the mobilisation of Crédit Agricole S.A. employees with the support of four partner associations (*Viens Voir Mon Taf, Un Stage et Après* supported since 2019; *Tous en Stage* since 2021, and Jobs in Real Life since 2022), has enabled the deployment of an ambitious scheme, with a variety of different formats to meet the constraints of employees and the expectations of institutions, and conducted 70% face-to-face.

In practice, the Group organised eight weeks of internships in companies, 10 workshops in secondary schools and on site, new events connected with technology designed by employees for students, and interactive sessions presenting business lines to students in the Paris region and in the wider regions.

Twelve subsidiaries (LCL, Crédit Agricole CIB, CAL&F, Crédit Agricole Assurances, Amundi, Crédit Agricole S.A. corporate entity, CA Indosuez, CACEIS, CACF, Crédit Agricole Immobilier, CAPS and CA-GIP) involved their teams in this initiative.

The Group's commitment was also demonstrated by the involvement of several members of Crédit Agricole S.A.'s Executive Committee, who came to meet the students during their internship at the Montrouge campus.

In total, more than 422 secondary school pupils from institutions in priority education areas will have benefited from an internship organised by Crédit Agricole S.A. in 2023 for an annual target of 300 students.

Crédit Agricole CIB has made a significant contribution to this programme, supporting numerous REP/REP+ secondary school pupils identified by Crédit Agricole S.A. in 2023. In addition, Crédit Agricole CIB also welcomed 104 secondary school pupils to its teams for one-week internships, at the initiative of Crédit Agricole CIB employees who supervised these young people as mentors.

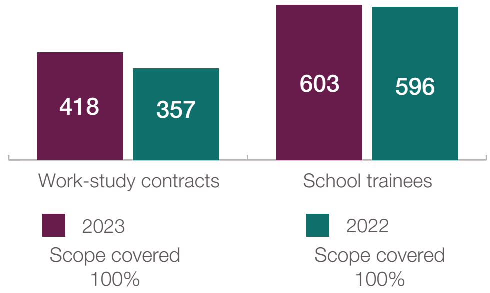
At **Indosuez Wealth Management** in France, 9th-grade young people from priority education areas were also welcomed to learn about the diversity of the work carried out (partnership with the "*Viens voir mon taf*" association).

In Switzerland, the "*Futurs en tous genres*" programme welcomed 22 children of employees (15 in Geneva and 7 in Zurich) to immerse themselves in their parents' day-to-day work and see work from a new perspective.

In Monaco, Indosuez Wealth Management seeks to facilitate young people's entry into working life in close collaboration with schools.

This work has paid off because the number of apprenticeship contracts has more than doubled, not to mention the greater diversity of the roles offered within all Departments.

▶ Trainees and work-study employees (average monthly FTE)



ATTRACTIVE AND SECURE WORKING ENVIRONMENT

◆ Listening to employees: the IMR (Accountability Index)

For the second consecutive year, the IMR (Accountability Index) was rolled out to Crédit Agricole CIB's employees in France and abroad. With 80% favourable responses, in line with 2022, the survey confirmed the strength of our employees' levels of commitment with a record participation rate of 80%, up 9 points compared with 2022.

In 2023, the employer recommendation increased significantly. The largely positive qualitative comments from employees on the two open-ended questions on employer recommendation and motivation illustrate the impact of Crédit Agricole CIB's Human Project in all managerial, cultural and societal areas. Employees particularly value the Group's solidity, the company's people-centred culture, a high-quality working environment, the interesting nature of their roles and career prospects. Managerial practices and the level of responsibility provided in organising and supporting their clients are also factors in employees' commitment and motivation.

◆ Workplace Health and Safety

Crédit Agricole CIB is committed to ensuring the safety and security of its employees, visitors, clients and service providers at its national and international facilities. The Security, Safety and Infrastructure Division (PCS-SSI) is responsible for protecting people and property.

Thus, PCS-SSI carries out compliance controls in the area of security and infrastructure maintenance and expert assessment within its scope of intervention, then proposes technical and organisational solutions to limit the risks identified. PCS-SSI also coordinates security and safety actions in conjunction with the Group Security Department.

Its main roles are to:

- Define standards for infrastructure security and resilience (e.g. specific systems to ensure business continuity in the trading room, procedures for 24-hour access or restricted areas, etc.);
- Carry out an assessment of operational risks at the entities in the international network that fall within its scope of intervention;
- Contribute to technical aspects of real estate projects (physical safety, security and real estate infrastructure);

- Carry out assessments within its scope of intervention, then propose technical and organisational solutions to limit the identified risks;
- Oversee and check the operating services for buildings in the Île-de-France region delegated to Crédit Agricole Immobilier (access passes, lifts, access controls, cleaning, monitoring of repair requests, etc.);
- Coordinate safety and security actions (fire training, evacuation drills, containment plans, etc.) in conjunction with the Group Safety Department;
- Act as correspondent for the various competent bodies and authorities (Health and Safety correspondent, triggering the Crédit Agricole CIB crisis unit).

In 2023, PCS-SSI carried out a number of major occupational safety and health projects: strengthening governance and reporting at the Executive Management level, recruiting, training and coordinating the community of Queue Monitors and Evacuation Wardens in the Île-de-France region, carrying out risk assessments and remediation plans via global audits (17 in 2023) and training of international officers (13 people trained in the Asia region).

Quality of life at work

Crédit Agricole CIB places a premium on quality of life in the workplace, working conditions and the work-life balance of its employees.

Crédit Agricole CIB's occupational health and prevention division, consisting of the occupational doctors and nurses, plays a preventive role in protecting the health of the company's employees.

The medical staff provide information and carry out preventive exams, provide care in emergency situations and organise prevention campaigns.

Throughout the year, Crédit Agricole CIB holds events on health-related issues at its various locations: ergonomics advice, free screening, vaccination campaigns, flu and COVID, etc.

In 2023, Crédit Agricole CIB France carried out a "We Care" employee survey on health, quality of life at work, working conditions and psychosocial risks. This survey was carried out jointly by the Human Resources and Risk Departments as well as the occupational doctor and social partners.

Crédit Agricole CIB's results show lower levels of stress than at other companies in the Banking sector in France and a higher level of well-being. Nearly 75% of employees feel that they work in a favourable climate. This climate is due in particular to balancing factors such as the quality of relationships with managers, support provided by colleagues and professional development.

In addition, a psychosocial risk monitoring system involving everyone at the company and serving to relay any difficulties encountered by employees supplements the Work Behaviour Charter, a document setting out a concrete framework for identifying and managing unacceptable behaviour at the company.

Crédit Agricole CIB also provides its employees in France with a counselling, guidance and psychological support service in partnership with Stimulus. This service is provided via a telephone platform, which can be used by any employees seeking support during a difficult time in their professional or personal life.

South Korea has also deployed a programme to help employees receive support and advice, delivered by certified experts, in the event of personal or professional problems likely to have an impact on their emotional well-being and performance at work.

The Bank also offers its employees an e-learning module entitled "Working in safety and good health", teaching employees how to identify different types of psychosocial risks.

In September 2023, **Indosuez Wealth Management** again celebrated Health Month in Luxembourg. Other Crédit Agricole Group entities in Luxembourg have also joined this initiative (CAMCA, CALIE Europe, CA Indosuez Wealth (Asset Management)). Branches in Spain, Italy and Belgium were also invited to activities that did not require them to travel to Luxembourg (online conference on harassment, sleep, alcoholism, burnout,...).

Employees were also able to get involved in local activities such as sports lessons, chair-based massages and a badminton tournament. Smoothies and fruit baskets were distributed each week.

Work-life balance

Crédit Agricole S.A. renewed its commitment to parenthood and employees with children by signing a new parenting charter in 2022. Crédit Agricole S.A. and its subsidiaries are working to reduce the impact of maternity leave on women's careers and to preserve their engagement. To meet the new expectations of employees with children, the Group has adapted the organisation of work to allow greater flexibility and promote a better balance for good parenting management.

Thus, Crédit Agricole CIB pays particular attention to actions in favor of parenthood in its various locations. In France, paternity leave is between 28 and 31 days, depending on the employee's length of service, with employees continuing to receive 100% of their salary in addition to the compensation paid by Social Security.

In 2023, Crédit Agricole CIB offered 28-day paid paternity leave at its international entities. In parallel, on 1 July 2023, the entities in Italy implemented a family leave policy incorporating this period of paternity leave.

As part of Project NOW, Crédit Agricole CIB also offers flexible hybrid work arrangements, while ensuring that the right to disconnect is respected. In France, employees providing care to family members also have the option of receiving 20 additional remote working days per year. The Middle East region (United Arab Emirates, Qatar and Saudi Arabia), in addition to extending paternity leave, improved its remote working policy by increasing the number of potential remote working days per year by 74% in 2023 vs. 2022. In addition, a 10-day study leave period has been introduced so that employees are able to continue their studies and complete or further their career path.

The Bank is continuing its efforts to support employees in challenging family situations. As such, the Bank offers Responsage services, a confidential and free telephone platform providing guidance and advice to employees on procedures related to their status as employees providing care to family members.

In 2017, Crédit Agricole CIB set up a system for employees to donate rest days to colleagues who need to care for a sick family member (child, spouse, civil-union partner or ascendants). In 2023, donations amounted to 206.5 available days that could be allocated to employees where necessary.

As part of its social offering, Crédit Agricole CIB also allows employees in France to bring their children to Le Manet leisure centre in Montigny-le-Bretonneux on Wednesdays and during school holidays. This type of offering contributes to a sound work-life balance, in line with the goals of the Human Project.

Social offer

As a responsible employer that cares about the well-being of its employees, Crédit Agricole CIB promotes a large range of employee benefits worldwide. The Bank takes particular care to ensure that its employee benefits are:

- ethical reflecting the Group's values;
- attractive and reasonable in terms of local practices in the Banking sector;
- appropriate for the targeted recipients.

In terms of preparing for retirement, Crédit Agricole CIB has been a pioneer in many countries by helping its employees build up savings. In France, Spain, Italy, the United Kingdom and the United States, this type of scheme has been in place for over 20 years.

In 2023, Hong Kong strengthened its retirement pension scheme by raising the contribution ceiling, thereby increasing pension contributions and offering better cover to its employees.

Through its employee savings schemes, employees share in the Bank's results and performance. Worldwide, employees are regularly offered the opportunity to take part in capital increases. In 2023, this programme covered 9 countries, including France, in which Crédit Agricole CIB is located.

Special webinars are offered by Crédit Agricole CIB France to support employees in matters related to employee savings and pensions.

In addition, mobile employees in international receive specific company benefits.

Since 2016 in France, the profit-sharing agreement has incorporated the Bank's CSR indicator, FReD, to reflect the joint commitment of the Bank and its employees to the success of the CSR policy.

In 2022, the Bank wanted to involve employees in its commitments to the ecological transition by setting up a "Sustainable Mobility" package. This package aims to encourage more environmentally friendly modes of transport by providing financial support to employees regularly travelling to work by bike, carpooling, or using any other eligible mode of transport. It has also been rolled out at **Indosuez Wealth Management** in France and Monaco.

2

Proportion of part-time employees

	2023			2022		
	Women	Men	TOTAL	Women	Men	TOTAL
Part-time headcount	647	120	767	647	111	758
% part-time headcount	12.3	1.7	6.2	12.5	1.6	6.3
% women in part-time headcount	-	-	84.4	-	-	85.4
Scope covered			**100%**			**100%**

Anti-harassment commitment

International Labour Organization Convention No. 190, ratified by France on 8 November 2021, is the first international treaty to recognise the right of all people to employment free from violence and harassment. This condemnation of violence and harassment is formalised in the International Framework Agreement signed on 31 July 2019, the Group's Code of Conduct also implemented at Crédit Agricole CIB, and in its internal regulations.

The Group also offers all its employees the option of activating the internal whistleblowing system, anonymously or nominally, if they witness or are victims of serious actions or actions contrary to the Code of Conduct and if they have not been able to use the hierarchical channel for reporting such issues. This system, which guarantees the confidentiality and protection of the whistleblower, is accessible to Group employees (24h a day and 7/7) via a specific link on the Crédit Agricole S.A. website and on the Crédit Agricole CIB intranet.

Crédit Agricole CIB has put in place the Behaviours Global Charter to raise awareness among all persons working within the Bank, including service providers, on what constitutes acceptable and unacceptable behaviours, such as discrimination, sexist behaviour, bullying or sexual harassment, as well as all forms of workplace violence.

Sharing value creation

COMPENSATION

Average monthly salary of permanent staff active in France (gross salary in euros)

	2023			2022		
	Women	Men	OVERALL	Women	Men	OVERALL
Executives	5,642	7,280	6,548	5,466	7,155	6,403
Non-executives	3,324	3,358	3,332	3,230	3,212	3,225
TOTAL	**5,537**	**7,236**	**6,462**	**5,343**	**7,099**	**6,299**
France scope covered			**99%**			**99%**

A COMPENSATION POLICY BASED ON EQUALITY

The wage policy is key to Crédit Agricole Group's strategic human resources management. Crédit Agricole CIB's remuneration policy is based on principles of fairness, performance incentives in line with risk management and the sharing of the Company's values. This policy is deployed taking into account the economic, social and competitive context of the markets in which the Bank operates, as well as applicable legal and regulatory obligations.

Crédit Agricole CIB places a great importance on the principle of equal treatment at work. Provisions can be made locally to reduce possible gender wage gaps, for example as in France under the agreement on gender equality at work.

EMPLOYEE SHARE OWNERSHIP AND CAPITAL INCREASES

The Crédit Agricole Group offers an annual capital increase offer reserved for the Group's employees and retirees.

At Crédit Agricole CIB in 2023, the capital increase reserved for employees with a 20% discount involved more than 3 million newly issued shares.

More than 2,400 subscribers (compared with 1,548 subscribers during the 2022 offer) invested more than €26 million in Crédit Agricole S.A. shares.

At the end of 2023, Crédit Agricole Group employees and former employees held 6.9% of Crédit Agricole S.A.'s share capital (6% of the share capital in 2022).

HEALTH AND WELFARE ARRANGEMENTS

The International Framework Agreement of 31 July 2019 includes an important commitment regarding provident funds (incapacity, disability, death and healthcare). Analysis updated in 2021 showed that there were no breaches of the locally required legal obligations regarding health and welfare.

The Bank contributes to the funding of health insurance programmes in many countries in order to offer its employees access to health care.

In 2023, the entity Crédit Agricole CIB UK worked to improve the assistance and support provided to its employees on health aspects such as the menopause and mental well-being (help programme, online assistance, information and awareness-raising webinars), Hong Kong improved its health insurance offering, particularly in relation to consultations with specialist doctors, complementary medicines and dental care.

Singapore also improved its health insurance policy to provide better protection for its employees (increase in the caps on hospitalisation costs and the costs of complementary medicines, inclusion of dental reimbursements in the group policy), thereby strengthening the competitiveness of their medical coverage.

Ensuring family protection in the event of death or a work stoppage is also important to Crédit Agricole CIB, which fully funds the schemes put in place by its entities abroad.

INCENTIVE AND PROFIT-SHARING SCHEMES

▶ Collective variable compensation paid during the year based on previous year's results in France

	2023			2022		
	Total amount *(thousands of euros)*	Number of beneficiaries	Average amount *(euros)*	Total amount *(thousands of euros)*	Number of beneficiaries	Average amount *(euros)*
Profit-sharing	1,383	625	2,212	3,730	605	6,165
Incentive plans	45,104	6,659	6,773	32,587	6,226	5,234
Employer's additional contribution	20,203	6,767	2,985	17,704	6,254	2,831
TOTAL	**66,689**	**-**	**-**	**54,021**	**-**	**-**
France scope covered			**99%**			**99%**

◆ Social progress

HUMAN RIGHTS

Crédit Agricole S.A. complies with the International Labour Organization Declaration on Fundamental Principles and Rights at Work adopted on 18 June 1998 and amended in 2022 and applies the United Nations Guiding Principles on Business and Human Rights.

Under the International Framework Agreement signed with UNI Global Union in 2019, and renewed in 2023, the commitment to respect human rights, freedom of association and trade union rights was reaffirmed.

This commitment applies to all Group employees in all of its geographical locations.

SOCIAL DIALOGUE, GROUP BODIES AND AGREEMENTS

Social dialogue is one of the foundations of Crédit Agricole S.A.'s social pact. This is illustrated by the robustness of the dialogue within three Group-level representative bodies:

- the European Works Council and the Group Works Council, which are two cross-functional institutions at Crédit Agricole S.A. and the Regional Banks. The purpose of these committees is to deal with cross-functional issues relating to the economic, social and financial dimensions of the Group. They have been established by collective agreements at Group level;
- the Consultation Committee, which is a body specific to Crédit Agricole S.A. Its role is to inform and discuss strategic projects, monitor Crédit Agricole S.A.'s results and the employment situation.

The role of Crédit Agricole S.A. Group's trade union correspondents is to strengthen social dialogue by sharing information of a social nature in an informal and constructive manner.

Created by the job and skills forecast management agreement of 6 July 2012, two bodies are specifically dedicated to the issue of employment and skills: the GPEC Committee, which is charged with monitoring the strategy and its foreseeable consequences on employment, met three times in 2023, and the job trends watch unit, which carries out forward-looking analyses of changes in jobs and skills, met twice in 2023.

The commitments made under Crédit Agricole S.A.'s long-term agreement on the career paths of employee representatives entered into in 2019 were implemented and actions continued in 2023 at Crédit Agricole S.A. and its subsidiaries. The committee that monitors this agreement met to assess the actions implemented. Almost all the Social and Economic Committees at the Group's entities were renewed in 2023.

SOCIAL DIALOGUE WITHIN THE ENTITIES IN FRANCE

The Group promotes dynamic and constructive social dialogue with its employees and their representatives.

The international framework agreement signed by Crédit Agricole S.A. Group with UNI Global Union on 31 July 2019 lays the foundations of the social pact which globally recognises the right to freedom of association and collective bargaining and the prioritisation of social dialogue which supports the Group's growth and performance. This commitment was renewed on 9 October 2023, with the signing of a new agreement guaranteeing a common social framework for all its employees.

In France, the Crédit Agricole S.A. Group sealed its commitment to its social pact through an agreement mapping out the employee representative path to create an environment that is likely to encourage employee engagement and investment in the role.

Fully subscribing to the Group approach, Crédit Agricole CIB is keen on maintaining effective and constructive social dialogue so that each year it can enter collective bargaining agreements that contain genuine commitments which reflect the Bank's social policy.

In 2023, the Bank renewed its social bodies with the election of the members of the Social and Economic Committee and the employee representatives on the Board of Directors, thus fostering social dialogue.

Throughout 2023, the Bank brought its corporate bodies together as part of the meetings of the renewed Social and Economic Committee and the work of the three committees (Social Policy Committee, Economic and Strategic Committee and Committee on Health, Safety and Working Conditions), to discuss all social issues and support the Bank's transformation. Negotiations also took place and resulted in the signing, in 2023, of 26 agreements relating to compensation and benefits, support for the transition from employment to retirement, on-call and off-duty work, or professional elections.

SUPPORTING TRANSFORMATIONS

Crédit Agricole S.A. has chosen to formalise its commitment to the responsible management of its reorganisations through the International Framework Agreement signed with UNI Global Union. UNI Global Union provides that any entity among Crédit Agricole S.A. that is considering a restructuring plan with a significant impact on the employment situation must announce the plan in good time so that a dialogue with employee representatives and management can be initiated to find socially responsible solutions.

INTERGENERATIONAL RELATIONS AND SENIORS

In order to prepare and support Crédit Agricole CIB's employees in their transition from professional activity to retirement, the Bank offers a number of measures that apply from the age of 55 (health check, retirement check-up) and in the year preceding retirement (retirement preparation leave, retirement training). Crédit Agricole CIB has also undertaken to respond favourably to gradual retirement requests made by eligible employees.

In parallel, in 2023, Crédit Agricole CIB also launched a pilot programme called "Social engagement leave for those approaching retirement" to provide employees close to retirement age with the opportunity to volunteer for associations or public interest organisations. Crédit Agricole CIB thus places social engagement at the heart of its Human Project, with the chosen associations benefiting from the expertise and human resources they need to maintain their momentum and develop their projects.

▶ Number of agreements signed during the year by subject

	2023			2022		
	France	International	TOTAL	France	International	TOTAL
Compensation and benefits	6	6	12	12	6	18
Training	0	0	0	0	0	0
Employee representative institutions	5	0	5	0	2	2
Employment	0	1	1	0	1	1
Working hours	1	2	3	0	3	3
Diversity and equality at work	2	0	2	0	1	1
Health and safety	0	1	1	0	0	0
Other	2	0	2	6	0	6
TOTAL	**16**	**10**	**26**	**18**	**13**	**31**
Scope covered	**-**	**-**	**97%**	**-**	**-**	**98%**

2.5.3 Taxation and responsible lobbying

TAX POLICY

Crédit Agricole CIB Group complies with the rules of transparency and accountability that require compliance with the tax laws and regulations in force in the States and territories in which it operates. It also monitors all commitments made by Crédit Agricole Group, notably in terms of preventing the risk of facilitating tax fraud by its clients.

In compliance with the transparency rules, Crédit Agricole CIB group fulfills its obligations in accordance with the provisions of Standard for Automatic Exchange of Information ("AEI") implemented by the OECD to fight against tax evasion, adopted by a hundred countries and transposed by the European Union. For this reason, the Crédit Agricole CIB group entities identify the holders of tax resident accounts of countries with which an exchange agreement has been concluded, and transmit the information concerning these customers each year to their local tax administration, which in turn forwards the information to the tax administrations of the States of residence concerned.

In general, Crédit Agricole CIB Group entities do not provide any assistance or encouragement to their clients for the conclusion of transactions with the objective of violating tax laws and regulations, nor facilitate or support such transactions.

Crédit Agricole CIB group is subject to local corporate tax in all its subsidiaries and branches. Thus, its entities declare their income and pay the corresponding taxes in the States in which they carry out their banking or financial activities. In the context of intra-group or intra-company relations, prices charged between entities are in accordance with the arm's length principle, with the Crédit Agricole CIB group applying a transfer pricing policy in accordance with the OECD principles.

Finally as part of the Crédit Agricole group's public commitments, international wealth management activities are conducted only in strict compliance with the automatic exchange of information; thus **Indosuez Wealth Management group** accepts as clients only those who give it a mandate to automatically exchange, with the administrations concerned, the information concerning them.

RESPONSIBLE LOBBYING

Crédit Agricole CIB carries out its lobbying in full transparency with all stakeholders and complies with prevailing best practices. Actions are carried out in line with and in support of those carried out by the Group, in order to promote the financing of the economy and the energy transition and to defend European strategic autonomy in the financial field.

Crédit Agricole CIB's Head of Public Affairs regularly communicates key messages and positions to certain members of the EXCOM and the Executive Management.

A substantial proportion of the topics covered are addressed in close collaboration with the *Fédération bancaire française* (FBF), the *Association Française des Marchés Financiers* (AMAFI), and the Association for Financial Markets in Europe (AFME).

To ensure that its lobbying activities comply with best practices, Crédit Agricole CIB applies the Group's Lobbying Charter and is registered, pursuant to the Sapin 2 Law of 9 December 2016, in the digital directory of interest representatives.

2.5.4 Responsible purchasing

THE GROUP'S COMMITMENTS

A governance document describes the procurement function's general operating principles at Crédit Agricole CIB Group, within the framework of Crédit Agricole Group's Procurement business line. These rules apply to all purchases made by Crédit Agricole CIB units. This document emphasises the need to include, to the extent possible, a company from the disability friendly sector in the list of subcontractors and suppliers. The consideration of CSR issues applied to purchases made by the Crédit Agricole Group has made it possible to manage legal, financial and reputational risks by applying best practices in order to forge balanced relationships with suppliers. The following practices are now followed:

- adding a clause to our contracts which provides for the referral to a mediator from the Crédit Agricole S.A. Group, in the event of disagreements relating to the execution of a contract between a supplier and the internal decision-maker, should both parties fail to find a solution internally. The option of using a Group mediator is to prevent the disagreement escalating into a dispute or actions whose resolution would be requested by the courts;
- adding a sustainable development appendix to our contracts to reiterate the Group's commitments in this area and the expectations that we have of our suppliers;
- obtaining from third-party service providers CSR ratings on our suppliers and prospects during consultations or calls for tender.

All the buyers undergo regular training on the issue of human rights in the value chain.

In 2021, Crédit Agricole CIB's Supplier Relations and Responsible Purchasing label, awarded by the business ombudsman attached to the Ministry of the Economy and Finance and by the *Conseil National des Achats* (National Purchasing Council), was renewed for three years.

The responsible Procurement policy's defining issues and priorities include Human Rights, Industrial Relations and Working Conditions, the Environment, Fair Business Practices, Diversity and Communities and Local Development.

THE IMPLEMENTATION OF OUR RESPONSIBLE PURCHASING POLICY

In accordance with our Responsible Purchasing policy, the employees of the Purchasing business line are committed to establishing responsible and sustainable relationships with their suppliers based on the following principles:

◆ Behaving responsible in relationships with suppliers

Crédit Agricole S.A. actively monitors its supplier payment deadlines. On a quarterly basis, Crédit Agricole CIB calculates its average payment period consolidated at the Crédit Agricole S.A. level. Improvement plans are defined with the aim of reducing average payment times. Average payment times are 24.8 days at Crédit Agricole CIB.

◆ Improving the quality of relations with suppliers over the long term

The Procurement Business Line interacts with the ecosystem of suppliers through satisfaction surveys to gather feedback from suppliers and in-house decision makers, an annual suppliers' meeting, regular business reviews with the main suppliers and a dedicated newsletter (LINK) sent to them every six months.

A Responsible Procurement Charter is attached to all supplier contracts and is based on reciprocal commitments based on the fundamental principles of the United Nations Global Compact. A clause on respect for human rights, environmental protection and the fight against corruption was added to enhance the contracts in 2018.

The Procurement Business Line issues regular reminders about the role of the internal mediator, who can be consulted by suppliers and/or the relevant in-house Department for all Crédit Agricole Group entities in France and abroad.

◆ Incorporating environmental and societal aspects into our purchases

For several years now, the Procurement business line has extended the integration of the CSR dimension to all purchasing projects in order to evaluate the CSR performance of suppliers and goods and services purchased. In the grid used to evaluate and compare the various bids received, this CSR dimension represents at least 15% of the overall score. For critical categories, this score can rise to 30-40% of the overall score for short-listed suppliers.

This score is based on:

- the supplier's CSR assessment, which is an automatic requirement during calls for tenders, and this is provided by EcoVadis, an independent and specialist third party;
- the CSR assessment of the purchased good or product on the social, ethical and environmental dimensions and more specifically decarbonisation and inclusion, which are the major challenges of our societal project. Our CSR assessment grids changed in 2023 to incorporate these two issues.

Taking action for a transition to a low-carbon economy

The low-carbon procurement trajectory project contributes to the Group's objective of "acting for the climate and the transition to a low-carbon economy". Scoping work resulted in an initial measurement of the carbon footprint of purchases of goods and services (scope 3.1) based on external expenses associated with monetary emission factors (derived from ADEME) for the entire Crédit Agricole Group, and in the identification of the purchasing sub-categories with the highest emissions and levers for reducing emissions.

On the basis of this work and within the scope of Crédit Agricole S.A., the Group Procurement Department defined a target for scope 3.1 as part of a trajectory submission to the SBTi. This target is based on the SBTi requirements specific to financial institutions for scope 3 categories 1-14 (non-financial footprint). The Crédit Agricole S.A. Group is committed to incurring 40% of its external expenditure with suppliers that have adopted science-based reduction targets. At the same time, a roadmap is being implemented, based on three projects:

1. framing and implementing emissions reduction: supporting all the players in the purchasing ecosystem in an adapted and harmonised system;
2. measuring and reporting emissions reductions: taking into account reporting requirements;
3. defining and managing a governance system with project stakeholders and partners.

To meet these challenges, the Business Line's professional development programme has been enriched with new training modules:

- a series entitled *"La Casa des Achats Responsables"* was created and distributed to all employees of the business line. This awareness-raising tool, consisting of several seasons and episodes, is designed to address the main themes of the Societal Project: season 1 entitled "CSR", season 2 entitled "Decarbonisation" etc.;
- the purchasing employees of Crédit Agricole S.A. and its subsidiaries also attended the *"La Fresque du climat"* training. This was an opportunity for them to understand the causes and consequences of climate change;
- in addition, two two-hour training modules were offered to all buyers on decarbonising purchases (entitled "Training on the normative and regulatory framework" and "Your role as a buyer").

2.5.5 Cybersecurity and fighting cybercrime

For several years, along with other major players in the Banking and financial sectors, Crédit Agricole CIB has been confronted with cybercrime targeting its IT system and that of its subcontractors. Aware of the challenges associated with digital security, Crédit Agricole CIB has placed cyber threats at the heart of its operational risk management priorities and deployed a cybersecurity strategy to control them.

CRÉDIT AGRICOLE CIB'S COMMITMENTS TO PROTECT CUSTOMERS' DATA AND EMPLOYEES' DATA

Crédit Agricole CIB implemented a set of IT security rules to protect customers' data and to guarantee the availability of the IT systems necessary for the provision of services to customers.

Governance and risk management

The cybersecurity strategy and its adequacy to threats are regularly reviewed by the bodies in charge of the ISS in the IOS/RMC department in charge of risk management and controls for the IT function and operations, the General Management through the ISCC (Information Security and Continuity & Physical Security) Committee, the Risk Committee, and the Board of Directors of Crédit Agricole CIB.

The Group Security Committee (CSG), which reports to the Executive Committee of Crédit Agricole S.A., is the umbrella body for security governance within the Crédit Agricole Group. This decision-making and executive committee defines the security strategy and assesses, in particular, the Group's level of proficiency in the field of information systems security.

Crédit Agricole CIB's Internal Control system, structured into three lines of defence, oversees the management of cyber risks, as is done in the rest of the Crédit Agricole Group.

The first line of defense, made up of the operational teams of the ISS function, includes, under the responsibility of the Global Chief Information Security Officer (Global CISO), a decentralized network of Chief Information Security Officers (CISO) responsible for ensuring the implementation of the security policy in the information system of the entity(ies) for which they are responsible or of a geographical scope (EMEA / APAC / AMERICAS). The CISOs also coordinate and ensure that an analysis of cyber risks is carried out from the design phase of IT projects, in a Security by design approach.

The Risk Department is the second line of defense. It continuously exercises control at its own level by relying on a network of local Operational Risk Managers (ORM), in each Crédit Agricole CIB entity.

As a third line of defence, the General Inspection Department, as part of its audit missions, verifies the compliance of the information system with the security policy (ISSP), as well as the level of IT risk control.

Crédit Agricole S.A. is also covered by a cyber insurance policy, which covers Crédit Agricole CIB.

Cyber risk awareness and culture

Crédit Agricole CIB actively raises its employees' awareness of cyber threats to remind them of the issues associated with individual habits and to ensure they maintain crucial reflexive responses. Awareness-raising is based, among other things, on guidance (security passports, recommendations for mobile and remote working), training (videos), targeted actions (awareness-raising for managers, awareness-raising for IT support teams or developers, awareness-raising for the Board of Directors), thematic exercises (fake phishing campaigns, simulation exercise of local and international crises, including Business Continuity aspects). Awareness-raising initiatives aimed at customers are also carried out regularly.

Information System Security Policy (ISSP)

The ISSP is an adapted version of the Crédit Agricole Group's ISSP, and is itself sometimes adapted locally in certain entities to comply with local legal or regulatory requirements.

The ISSP is reviewed every year to be adapted to the evolving context of security issues (availability, integrity and confidentiality of information). It is structured around a core policy that defines the main principles of risk management, their implementation into security measures. All these policies, procedures and standards are published on the intranet.

PROTECTION OF THE IT SYSTEM AND DATA PROTECTION

Access to the information system is limited to authorised users. Strong or multi-factor authentication is implemented for the most sensitive accesses requirements and populations.

Equipment configurations are secured to limit the use of invalidated peripherals. The information system is partitioned into zones with secure and controlled connections to other zones or external networks. Sensitive administration environments are isolated, and production systems are separated from development and integration environments.

Users have at their disposal methods and tools they can use to classify and manipulate the information they use and protect it in accordance with the information security policy.

The outsourcing of IT processing gives rise to a prior risk analysis and is governed by contractual clauses requiring the implementation of a security policy compatible with the security objectives, and providing for the right of supervision and the right to audit the security of the service throughout the term of the agreement.

OPERATION AND DEVELOPMENT

A number of workflows contribute to the methodology used on projects and help to identify and assess the risks and methods of managing information security, including the security of applications and systems at the time of their internal development or acquisition.

The operation of the information system is governed by procedures. System vulnerabilities must be remediated within a timeframe commensurate with their level of risk.

EXTREME INCIDENTS AND SHOCKS

The operation of the information system shall be continuously logged. These logs are correlated in order to detect security incidents and any attempts to extract data.

An incident management process is in place to address any operational or security incidents, with the appropriate level of response and escalation.

The information system is designed to meet the resilience objectives expressed by the business lines and documented in their Business Continuity Plans (BCP). Solutions are implemented and tested against various scenarios involving IT system unavailability, whether the cause is logical or physical (including workstations).

◆ Control and monitoring

The three lines of defense and external auditors periodically conduct security reviews, audits and tests to monitor the compliance of the information system and to ensure that there are no exploitable vulnerabilities.

Audit plan and security testing take into account the criticality of the information system components and the applicable regulatory requirements to determine the scope and frequency of checks.

The information security control and management system incorporates the following tools:

- the operational dashboard CQRS (IS Quality and Risk Monitoring Committee, Security section) on IT risks;
- steering in the ISCC Committee four times a year to escalate matters to Executive Management;
- the Cyber Check Up and its evolution, the LOD1 (Line of Defense One Controls) Control Plan, diagnosis of each subsidiary’s maturity level in the face of cyber challenges and evaluation thereof with a common analysis grid;
- the IT radar to assess entities’ maturity level across all IT risks.

Lastly, Crédit Agricole CIB modeled its major cyber risk scenarios to provide a risk-based approach of the efficiency of deployed security measures.

FIGHTING CYBERCRIME

Crédit Agricole CIB benefits from the services provided by the Crédit Agricole Group’s CERT team. This team is SIM3-certified by the Trust Introducer (TF-CSIRT).

Crédit Agricole CIB also benefits from the services of a Cyber Defence Operational Centre where SOC and SIEM are managed, at CA-GIP (a Group entity responsible for a large part of the Crédit Agricole Group’s IT production).

Over several years, Crédit Agricole CIB has been rolling out a programme of security projects, primarily intended to meet French and international regulatory requirements, as well as the Group’s needs, structured around themes approved by its Executive Management, including:

- payment security;
- DLP to combat data leakage/theft;
- authentications and authorisations;
- enhanced security and management of Active Directory usage;
- document security;
- controls of database and administrator access;
- prevention of phishing-related risks and their consequences, with the annual organization of false phishing campaigns for all employees;
- regular awareness-raising among employees and systematic one for new joiners, with, for example, awareness-raising sessions with CODIR/COMEX Business Lines, entire teams or all employees of Crédit Agricole CIB entities abroad, people who have failed phishing exercises;
- extensive specific verifications of devices and applications exposed to the Internet;
- audit and penetration testing of all application resources of the Crédit Agricole CIB group and Crédit Agricole S.A., whether visible from the Internet or belonging to a regulated scope (regulatory monitoring);
- cyber-crisis simulation exercises at the Bank’s main sites, as well as face-to-face awareness-raising;
- information system resilience and ability to respond to extreme shocks.

3. ESG RISK MANAGEMENT

3.1. ESG risk approach

Aware of the potential impact of extra-financial risks on its business, the Group has renewed its societal commitments and incorporated them into its business strategies and commercial processes and its internal governance systems, especially its Vigilance Plan.

3.1.1 The double materiality approach

The Crédit Agricole Group has adopted a double materiality approach, as recommended by its governance bodies. This approach distinguishes between:

- societal and environmental materiality, which corresponds to the negative impacts that the company's activities have on its environment: the aim here is to look at the impact on the climate, on biodiversity, but also on society:

  In order to identify and limit these negative impacts, the Group has implemented a systematic ESG screening strategy for its investments, and an ambitious climate strategy described in section 3.4. "TCFD: climate risk management"
- financial materiality, which corresponds to the sustainability risks the Group incurs:

Under the European Regulation 2019/2088 on sustainability related disclosures in the financial services sector, sustainability risks are described as environmental, social or governance (hereinafter "ESG") events or conditions that, if they occur, could cause an actual or potential material negative impact on the value of the investment.

3.1.2 Risks identified by the Group

- Climate and environmental risks are risk factors that influence the Bank's main risks (reputational risk, credit risk, market risk, liquidity risk, operational risk etc.), i.e. resulting from our exposure to counterparties that may be affected by climatic risks:
  - physical risks: damage caused directly by acute climate change (natural disasters) or chronic climate change (long-term average rise in temperatures, rises in sea level, etc.);
  - transition risks: effects of the transition to a low-carbon economy that is resilient to climate change or ecologically sustainable. They cover regulatory risks or changes in climate and environmental policies, risks related to behavioural changes, technological risks and reputational risks.

  For a number of years, Crédit Agricole CIB has undertaken work designed to better understand and manage climate risks:
  - by evaluating the carbon footprint caused by its financing and investment portfolio and defining the sector wide policies for sectors which account for a large proportion of this footprint (over 80% of this footprint on a cumulative basis);
  - by seeking to identify the materiality of the climate risks and by gradually introducing additional analyses for clients or portfolios appearing to present the highest risk;
  - by setting credit limits for portfolios subject to material climate risks over the horizon of Crédit Agricole CIB's exposures.

  This approach was reinforced in 2022 by collecting new data and estimating credit losses under various scenarios as part of the climate stress test carried out by the European Central Bank.
- Social risks: risks associated with the rights, well-being and interests of people and communities, including factors such as (in)equality, health, inclusion, labour relations, health and safety at work, human capital and communities.
- Governance risks: governance practices (including leadership and executive compensation, audits, internal controls, combating tax evasion, independence of the Board of Directors, shareholders' rights, corruption, etc.) and the way in which companies or entities incorporate environmental and social factors into their policies and procedures.

3.1.3 Integrating ESG risks into the Group's risk management strategy

Environmental, social and governance risks are considered to be risk factors that influence the Bank's main risks (reputational risk, credit risk, market risk, liquidity risk, operational risk etc.), i.e. risks that arise as a result of exposure to counterparties that may be affected by ESG risks.

As an example, environmental risks can be distributed across the broad risk categories as follows:

Credit risk	Financial risks	Operational risks	Reputational risk
Fall in value of collateral (impact on the assets of clients held as collateral by the Bank). Deterioration in the portfolio's credit quality (difficulties in refinancing companies).	Difficulties in raising cash for the Group due to financing that is deemed too large or not large enough (according to investors) of activities with a high carbon footprint. Sudden revaluation and volatility of financial instruments held by the Group.	Non-compliance with the Group's duty to provide advice and carry out due diligence (e.g. financing in flood-prone areas). Material damage to the Group's assets, disruption of its activities (including IS).	Non respect of public commitments

3.2. Integration of ESG criteria in investment and asset management policies

3.2.1 Indosuez Wealth Management, offering responsible products and services

The Indosuez Wealth Management Group has drawn up an action plan that is primarily aimed at creating and promoting Sustainable Finance among its clients, and which seeks to achieve the following objectives:

- measuring ESG appetite and including ESG criteria over the entire client journey;
- offering a comprehensive range of investment products and services that incorporate ESG criteria, regardless of the management method applied (discretionary, advisory, receipt and transmission of orders) and the asset class (underlying securities, funds, structured products or real estate);
- developing a socially responsible financing offering (real estate financing and Lombard loans enhanced by ESG criteria);
- providing ESG ratings for all client portfolios.

In terms of ESG ratings, they are updated regularly and may be reviewed between two assessment dates in the event of serious controversies. They apply the methodology used by Amundi, the leading asset manager of the Crédit Agricole Group; based on 37 generic or sector criteria, this methodology is regularly presented to our clients during meetings with our ESG advisers.

In addition, certain activities are subject to exclusions that are taken into account in the methodology:

- companies involved in the manufacture, trade, storage of or services for anti-personnel mines or cluster bombs;
- companies that produce, store or market chemical, biological or depleted uranium weapons;
- companies that contravene the principles of the United Nations Global Compact relating to respect for human rights, labour standards and the environment, or the fight against corruption.

In accordance with the Crédit Agricole Group's sector policies, the tobacco and coal industries are also excluded.

3.3. Incorporating ESG criteria into financing

The environmental and social impacts resulting from the financing activity appear to be substantially greater than the Bank's direct environmental footprint. Taking these indirect impacts into account is one of the main sustainable development challenges for Crédit Agricole CIB. The system which manages these environmental and social business risks is based on three pillars:

- applying the Equator Principles to transactions which are directly related to a project;
- CSR sector policies;
- assessment of the environmental and social aspects of the transactions.

From 2013, Crédit Agricole CIB also introduced a scoring system for all its corporate clients.

Environmental and social risks are first assessed and managed by the account manager. Account managers are backed by a network of local correspondents, who provide the necessary support in each regional Project Finance structuring centre and remain in constant communication with a coordination unit. It comprises operating staff from the Project Finance business line and coordinates the practical aspects of the implementation of the Equator Principles. It manages the network of local correspondents and implements specialised training for participants.

Group Economic Research (ECO) is an integral part of Crédit Agricole S.A. and provides additional support and clarification for all types of transactions and clients by contributing with its expertise on environmental and technical aspects, thereby making it possible to fine-tune the analysis and identify the risks for each business sector.

Even though its corporate client base comprises mostly SMEs, Private Banking integrates environmental and social components into its risk analysis based on the sector policies defined by Crédit Agricole CIB and the Group. The non-compliance risk grid for credit transactions covers these issues, supported by a special opinion if necessary.

3.3.1 The integration of ESG aspects into the analysis of large corporates counter-party risk and financing transactions

THE EQUATOR PRINCIPLES

The Equator Principles were developed in response to limitations and triggers related to project financing process as defined by the Basel Committee on Banking Supervision.

Although they cannot always be applied in their current state to other types of financing, they nevertheless represent a relevant and globally recognised methodological framework for recognising and preventing environmental and social impacts in cases where the financing is linked to a project, for example where it is linked to the construction of a specific industrial asset (plant, transport infrastructure, etc.). The implementation of the Equator Principles is described in detail on the Crédit Agricole CIB's website.

18 finance project loans were signed in 2023 and were ranked into category A, B and C of the International Finance Corporation. At 31 December 2023, 451 projects in the portfolio had been ranked.

The classification of projects breaks down as follows:

- 44 projects classified as A, 6 of them in 2023;
- 352 were classified as B, 10 of them in 2023;
- and 55 projects classified as C, 2 of them in 2023.

The number of transactions that were reviewed during the year is 49. The percentage of transactions reviewed in line with the Equator Principles is 100%.

The 2023 breakdown by sector and region is as follows:

	Category A	Category B	Category C
Total	**6**	**10**	**2**
Sector			
Infrastructure	-	1	1
Mining	3		
Oil-Gas	2	2	
Energy	1	7	1
Other	-	-	-
Region			
Asia/Pacific	1	1	
Europe	2	3	
Latin America		2	
Middle East/Africa	2	1	
North America	1	3	2
Designation of countries			
Designated	3	6	2
Non-designated	3	4	
Independent review			
No	-	2	-
Yes	6	8	2

At 31 December 2023, there were 44 Project-Related Corporate Loans (PRCL) in the portfolio. Nine PRCLs were signed in 2023 and ranked as category A, B or C, as follows:

- 7 were classified as A;
- 2 were classified as B;
- no project was classified as C.

The number of transactions reviewed during the year was 20. The percentage of transactions reviewed in line with the Equator Principles was 50%.

The sector-specific and geographic distributions are as follows:

	Category A	Category B	Category C
Total	**7**	**2**	**-**
Sector			
Infrastructure	1	-	-
Mining	2	-	-
Oil-Gas	-	-	-
Energy	1	-	-
Other	3	2	-
Region			
Asia/Pacific	3	-	-
Europe	-	-	-
Latin America	2	-	-
Middle East/Africa	2	-	-
North America	-	2	-
Designation of countries			
Designated	1	2	-
Non-designated	6	-	-
Independent review			
No	-	2	-
Yes	7	-	-

By way of example, the following three projects were reviewed by reference to the Equator Principles:

- Example 1 (PRCL): as part of the due diligence and credit risk assessment carried out in relation to the project, Crédit Agricole CIB undertook a review of the environmental and social requirements of a project to build an electric vehicle plant in the United States. It was also the subject of an independent external review. Crédit Agricole CIB assessed the project in line with the Equator Principles 4 and classified it as Category B.
- Example 2 (project financing): In 2023, Crédit Agricole CIB participated in a syndicated loan facilty for the funding of an offshore wind power generation facility on the west coast of Taiwan. The project is in line with the Taiwanese government's objectives of reducing its dependence on international energy markets and achieve 20% of renewable energy in its portfolio by 2025. As part of the reasonable due diligence and credit risk assessment carried out for the project, Crédit Agricole CIB undertook a review of the environmental and social requirements of the project, including its impact on the surrounding area and the local community (fishing activity), marine mammals, migratory birds and noise. It was also the subject of an independent external review, which focused on the cumulative effects of wind farms in western Taiwan on marine mammals and birds. Crédit Agricole CIB assessed the project in line with the Equator Principles 4 and classified it as Category A.
- Example 3 (project financing): Crédit Agricole CIB participated in loan facilities relating to the construction of a graduate student housing project in California, which benefits from a 75-year lease concession. As part of the reasonable due diligence and credit risk assessment carried out for the project, Crédit Agricole CIB undertook its own technical review, which included a review of the environmental and social requirements of the project. It was also the subject of an independent external review that considered hazardous substances, geotechnical investigations, groundwater and soil conditions, air quality and biological resources. Crédit Agricole CIB assessed the project in line with the Equator Principles 4 and classified it as Category C.

CSR SECTOR POLICIES

The CSR sector policies published by Crédit Agricole CIB and Crédit Agricole Group explain the social and environmental criteria included in the Bank's financing policies.

These criteria mainly reflect the aspects of concern to civil society that appear to be the most relevant for a Corporate and Investment Bank, particularly those relating to human rights, fighting climate change and preserving biodiversity. The aim of the CSR sector policies is therefore to clarify the principles and rules on managing non-financial risks relating to financing and investments in the corresponding sectors, in accordance with Crédit Agricole S.A. policy.

The current sector policies and the implementation thereof are described on Crédit Agricole CIB's website.

SENSITIVITY ANALYSIS

Crédit Agricole CIB has been assessing the environmental and social impacts of transactions since 2009. They reflect either questions on managing environmental or social impacts that are deemed critical, and/or the existence of controversies related to a transaction or clients.

CLIENT CSR SCORING

In 2013, Crédit Agricole CIB introduced a CSR scoring system for all corporate clients designed to complement its system for assessing and managing the environmental and social risks of transactions. Clients are rated at last once a year on a scale that includes three levels (advanced, compliance and sensitive), with these ratings based on:

- compliance with existing sector policies;
- existence of reputational risk for the Bank (sensitive rating);
- client's inclusion in leading global CSR indexes (Advanced rating).

This scoring system evolved following the service contract signed with a non-financial rating agency. The tests conducted in 2016 and 2017 on the use of ratings from this agency led to a CSR scoring system being introduced in 2018 with three due diligence levels: light, standard and reinforced. These three levels of due diligence are described in the CSR Policy on Crédit Agricole CIB's website.

3.4. TCFD: climate risk management

The environmental risk management policy in this part is presented primarily for the purposes of understanding the potential financial impacts of environmental risks on the Group's activities ("financial materiality" section of the Non-Financial Reporting Directive, NFRD), incorporating those of Crédit Agricole CIB. The negative impacts of the Group's activities on the environment ("environmental materiality" section of the NFRD) and the identification of opportunities related to environmental risks as defined by the TCFD (Task-Force on Climate-related Disclosure) are addressed in Section 2.4. "Taking action in favour of the environment and contributing to carbon neutrality".

Defined annually and validated by the governance bodies, the Group's environmental risk framework follows the TCFD recommendations in terms of presentation by addressing the various issues at Group level: governance structures, main elements of strategy, risk management and associated metrics. The impacts from double materiality (environmental and financial) are presented, specifying the roles and responsibilities of each of the players for those impacts.

3.4.1 Horizons of vulnerability to climate risks

In order to assess the Group's vulnerability to physical and transition risks, an inventory was first drawn up of the main risk factors that could impact the Group's and Crédit Agricole CIB's activities:

◆ Physical risks

Factor category	Sub-category
Climate, meteorological, water	▪ Heat: heatwave, heat peak, oceanic heat wave, rise in average temperature ▪ Drought: meteorological (low rainfall), edaphic/agricultural (low soil moisture), hydrological (low water reserves), aridity ▪ Fire ▪ Precipitation: heavy precipitation, hail, snowfall, mudslides, lava flows, change in average rainfall ▪ Flooding: coastal flooding (submergent coastlines), slow flooding, flash flooding, rising water table, sea level rise ▪ Wind: strong wind, thunderstorm, storm, tornado, hurricane ▪ Cold: cold wave, frost
Geological	▪ Clay shrinkage-swelling ▪ Seismic activity: earthquake, tsunami, volcanic eruption ▪ Ground movement: landslide, cave-in ▪ Erosion: rock falls, landslides, collapses
Biological	▪ Disease: epidemic, pandemic ▪ Invasive alien species: invasive plant or animal species ▪ Biodiversity loss: loss of natural environments, plant and animal species, including impacts of deforestation and overfishing
Pollution	▪ Pollution: water, air, soil, ecosystems

Transition risks

Factor category	Sub-category
Decisions by the authorities (executive, legislative, judicial)	▪ Tax, subsidy ▪ Authorization and activity constraints ▪ Fine, conviction
Market developments	▪ Changes in stakeholder behaviour (consumer, suppliers, employees, investors) ▪ Price trends
Technological developments	▪ Substitution of existing products and services by more sustainable ones ▪ R&D costs and losses of new low carbon technologies
Contractual obligations	▪ Definition and fulfilment of a contractual obligation related to environmental factors

Based on the scientific work carried out to date and the main risk factors involved, the Group considers that:

- the physical risks related to climate change are potentially incurred in the short term for acute risks, and in the medium/long term for chronic risks;
- the transition risks related to climate disruption are incurred in the short, medium and long term.

3.4.2 Climate scenarios used by the Group

Climate scenarios are supplementary analysis tools that provide a better understanding of the impacts of climate risk in the long term, based on central hypotheses and stressed versions according to defined trajectories. This is an usual risk approach, which in this case uses long-term assumptions, contrary to the usual scenarios, which generally consider short projections (about 3 to 5 years). The materialisation of these risks is indeed more remote, so regulators and supervisors support these approaches that allow a better understanding of their quantitative impacts, and this work also provides insight to governance bodies. The TCFD also recommends this approach in order to assess the sensitivity of assets to climate risks.

IN-HOUSE SCENARIOS

To measure climate risk issues, the Group has developed an in-house method called SAFE (Single Accounting of Financed Emissions, initially P9XCA, see section 4.3. "Measures related to the indirect carbon footprint"), which is used to draw up projections based on the emissions attributed to economic players in major sectors and countries defined, relative to value added.

These emissions are used to establish an initial economic assessment of the carbon challenge by macro-sector and country, and the potential vulnerability of companies. On the basis of several studies concluding that a controlled climate transition would not be growth-destroying (2017 OECD study "Investing in Climate, Investing in Growth", 2016 ADEME study "*Un mix électrique 100% renouvelables?" Synthèse technique et synthèse de l'évaluation macro-économique*"), it was considered that the carbon issue impacted companies differently depending on their ability to anticipate and therefore the progressive nature of the implementation of measures to adapt to this risk.

This measurement of the stakes made it possible to simulate the impact of different carbon price scenarios. The calculations have provided insight into the orders of magnitude and make it possible to compare the potential impacts on sectors and countries depending on the in-house scenarios and time scales used. The calculations show the transition climate risk in the "abrupt climate change" scenario as the main medium-term risk, while underlining the strong increase in the physical climate risk over time, notably in the scenario involving no new mitigation measures.

These calculations thus provide an initial macro-economic framework for climate risks; in all the projected scenarios, the financial impacts for the Group remain limited.

NGFS SCENARIOS: THE BENCHMARK FOR THE ACPR AND ECB CLIMATE STRESS TESTING EXERCISES

In 2020, Crédit Agricole Group voluntarily took part in a pilot exercise on climate risk resistance led by the ACPR. This exercise focused on banking activities from the perspective of credit risks and market risks. Its purpose was to test the resilience of French credit institutions and insurers to the effects of the climate transition by 2050, with no impact on capital planning. The three scenarios developed by the ACPR were based on the Network for Greening Financial Systems (NGFS) approach, using the work of the IPCC. A central scenario of orderly transition was proposed, with two opposing variants and a single physical risk scenario. The quantitative impacts remained limited in the three scenarios and manageable for Crédit Agricole CIB over the timescales in question, mainly due to the application of management decisions.

This inaugural exercise made it possible to test the Crédit Agricole CIB's operational capacity to perform sector-level analyses over long horizons, over a broad scope, and to initiate a reflection on the collection and reliability of climate data, and on changes in the usual methods of credit stress. It also helped to prepare for the ECB exercise in 2022.

The approach adopted by the ECB is in line with the work of the ACPR, while extending the scope of analysis to new components, such as the presentation of profit and loss data by sector, CO_2 emissions on a selection of counterparties, and physical risk. This stress test resulted in the collection of a significant volume of climate data on clients: energy performance analyses were obtained from clients of the commercial real estate portfolio in France and Italy, and greenhouse gas emissions were extracted from major clients' annual reports or CSR reports, or approximated on an ad hoc basis where such information was not available.

The scenarios proposed by the ECB are also derived from the work of the NGFS (Phase 2) and include an orderly, a disorderly and a no-transition ("hot house world") version of the transition scenarios:

- The ECB's Orderly scenario corresponds to the NGFS Net Zero 2050 scenario, whose main characteristics are:
  - a drastic reduction in GHG (Greenhouse Gas) emissions to reach net zero by 2050;
  - immediate, ambitious and regular action to ensure a smooth transition;
  - carbon prices in line with targets;
- the ECB's Disorderly scenario corresponds to the NGFS Delayed Transition scenario, whose main characteristics are:
  - a drastic reduction in GHG emissions to reach net zero by 2050;
  - delayed and sudden action leading to an abrupt transition;
  - carbon prices in line with targets;

- the ECB's Hot House World scenario corresponds to the NGFS Current Policies scenario, whose main features are:
  - the lack of new policies to support the transition;
  - the gradual decrease in European emissions is offset by the increase outside Europe, leading to global warming and a substantial increase in physical risk;
  - carbon prices that remain very low.

Crédit Agricole CIB simulated losses in these scenarios with different time horizons. The estimated impacts of the various transition and physical hazard scenarios are contained at Crédit Agricole CIB level.

3.4.3 Measuring physical risks

The physical risk factors described above may essentially impact, in the short term, the physical assets held as collateral by Crédit Agricole CIB. The impact is therefore concentrated in the commercial real estate and project finance portfolios. Potential impacts are taken into account in the credit analysis at the time the financing is originated. For project financing, where the initial maturity usually exceeds 15 years or more, the analysis is based on the Equator Principles (EP4).

In addition, for corporate loans in general, analysis is carried out at the macro level based on the physical risk index.

Furthermore, the challenges linked to physical climate risk are assessed on a scale from 1 to 15 using a method that combines sector sensitivity indices (vulnerability on a three-level scale that covers around twenty major identified sectors) and geographical sensitivity (based on three variables: share of the population living below 5 metres high, agriculture's share of GDP and vulnerability index).

3.4.4 Measuring transition risks

Since 2011, Crédit Agricole CIB has used a methodology to compute greenhouse gas emissions said to be financed by a financial institution. This methodology was developed at its request by the Chair in Quantitative Finance and Sustainable Development at Paris Dauphine University and *École Polytechnique*. This innovative methodology, originally known as P9XCA but renamed SAFE (Single Accounting of Financed Emissions), has, since 2014, been recommended for corporate and investment banks in the financial sector guide to "Conducting a greenhouse gas emissions audit" published by the Agency for Environment and Energy Management (ADEME), the Observatory on Corporate Social Responsibility and the Bilan Carbone Association.

It enables Crédit Agricole CIB to calculate, without multiple counting, the order of magnitude of the emissions financed and map them according to sector and geographical location.

Greenhouse gas emissions are allocated to economic players according to their capacity (and their economic interest) to reduce them according to an allocation described "by issue" as opposed to the usual allocation "by scope" (see sectoral guide). This methodology gives us a sectoral and geographical mapping of the carbon issue which has guided the choice of sectors of the Bank for the development of some sector CSR policies and has been used in methodologies for calculations linked to the transition climate risks presented below. Certain methodological adjustments were made in 2018 in parallel with the revision of emission factors.

For financial players, the transition climate risk arises mainly from the uncertainty surrounding the evolution on invetsments profitability and business models of its clients resulting from the changes in the economic environment brought about by initiatives against global warming (introduction of a carbon price, regulatory changes).

An OECD study published in May 2017, "Investing in Climate, Investing in Growth", concluded that a controlled energy transition is favourable to the economic growth of the G20 countries, backing up the conclusions of a study by the French Environment and Energy Management Agency (ADEME) in 2016, "An electricity mix from 100% renewable sources? Technical summary and macroeconomic evaluation summary" for France. It would seem, therefore, that the impact of the energy transition will not necessarily be negative for all economic players. It is then important to be able to identify the winners and the losers in this major change.

The potential impact of the energy transition on the financial performance of a company would therefore seem to depend on both the potential sensitivity of the company to the transition (due to its business sector and geographical location) and its ability to manage the transition (level of anticipation and strategy).

The economic player's potential sensitivity to the transition issue reflects the preassure exerted on him which is function of the context in which he develops its activities, independently of the measures put in place by the economic player itself. It is a measure of the extent of the potential positive or negative impact of the energy transition for the economic player, which can be described as a combination of two factors: the sector impact (the sector's carbon intensity) and how committed the country is to reducing its greenhouse gas emissions.

The ability to manage the transition issue determines whether the economic player has the right strategy and has taken the right measures to enable it to gain from the energy transition. It seems to us that this level of "maturity" should be assessed in a relative manner to the business sector, across all geographical locations.

A medium-term transition risk index has therefore been computed since 2017 for the Bank's corporate client groups using a combination of three factors:

- the level of sectoral issues linked to financings as assessed by the SAFE methodology adopting an issue-based approach;
- the importance the country places on reducing greenhouse gas emissions such as the Intended Nationally Determined Contributions (INDC);
- the maturity of the client when faced with climate challenges and its ability to adapt, as evaluated by a non-financial agency or estimated on the geographic average.

For each client group, the transition risk index is calculated by adding together these three factors. The index is positive when the counterparty demonstrates above average preparedness and is negative if it does not. The more the client stands out from its peers, the more the sector is considered to be at risk, and the more the country has committed to a rapid energy transition, the higher the absolute value of the index.

Thus, a player in the Energy or Transport sectors in a country committed to significantly lowering emissions will have more to gain or lose than a player in a sector which is less affected in a country with lower greenhouse gas reduction commitments. The extent to which this actor is affected will depend on its ability to adapt its strategy and economic model to the new situation.

The transition risk index complements sector-focused CSR policies by making it possible to identify customers for which additional analyses appear necessary in view of their exposure to transition risk and management of this risk. This approach concerns all sectors and all countries, and feeds into risk analyses, particularly in the review of sector strategies.

3.4.5 Relative materiality of physical and transition risks

Since the beginning of 2021, Crédit Agricole CIB has regularly evaluated and improved its system for assessing and managing environmental and climate risks in light of the recommendations published by the European Central Bank in November 2020.

Crédit Agricole CIB has adopted a pragmatic approach involving making adjustments to its actions based on the intensity of environmental risks projected over the time horizon of its activities that generate these risks. In particular, Crédit Agricole CIB has selected pilot sectors and regions for which the metrics previously developed (see section 3.4.4 "Measuring transition risks") have been deployed at the portfolio level at meetings of the Strategy and Portfolio Committee.

Climate risks are reputational risk factors. This risk has been identified and managed for more than 10 years. The CSR sector policies are the first line tool for managing environmental and social risks, particularly the transition climate risk. These policies cover the macrosectors of energy and transport, which account for over 80% of the carbon footprint caused by our financings. In particular, the policies on fossil fuels do not usually include transactions relating to activities which seem the least compatible with the developments expected in light of the energy transition and thus potentially the most risky as regard to the transition climate risk.

The transition risk index and the analysis of controversies supplement this approach by making it possible to identify clients for which additional analyses seem necessary in view of their exposure to the transition risk and management of this risk. This approach applies to all sectors and all countries.

Climate risks are also credit risk factors for certain portfolios. In the short term, the main risk is refinancing risk for companies in the most carbon-intensive sectors. There is also a risk that ratings will be downgraded in certain sectors (energy, automotive, real estate, aeronautical and maritime sectors) for companies that are lagging behind in their energy transition.

A comprehensive framework is inappropriate due to the diversity of transmission channels and maturities of exposures. However, for the risk frameworks most sensitive to climate risks, Crédit Agricole CIB carried out materiality analysis on climate factors over the exposure horizon, using the transition risk index and physical risk index metrics.

The Risk Department issues an opinion covering these aspects. An appropriate framework has been defined for some of these portfolios, where required as a result of the materiality of climate factors over the portfolio's exposure horizon.

The materiality of climate factors on operational, market and liquidity risks is currently limited for Crédit Agricole CIB. Accordingly, the Bank actively monitors the market and regulations to adapt its system where necessary.

3.4.6 Presentation of the climate risk strategy according to the recommendations of the TCFD

The Group is committed to adopting a transparent approach and following best market practices and has undertaken to follow the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The Group's responses to these recommendations are summarised in the table below and detailed in the various chapters of Crédit Agricole S.A.'s Extra Financial Performance Statement and included as such in this Universal Registration Document.

TCFD sections	Recommendation	Main elements of the Group's response
Governance	1 – Describe the monitoring of climate risks and opportunities by the Board	The work performed within the Specialised Committees of the Board of Directors (Strategy and CSR Committee then the Committee on Social Engagement after splitting the Strategy and CSR Committee, and the Risk Committee) is submitted to the Board of Directors after examination. The Strategy and CSR Committee, chaired by the Chairman of the Board of Directors, reviews the Group's ESG strategy and analyses the results of all policies implemented and actions taken with regard to the Group's non-financial performance. It monitors the preparation of non-financial reporting as well as changes in non-financial ratings. The Risk Committee reviews the overall strategy and risk appetite of Crédit Agricole S.A. and the Crédit Agricole Group, which includes environmental risks covered by an ad hoc risk strategy. It analyses the Risk management framework of the entities and business lines before proposing their adoption to the Board. It evaluates the challenges the Group faces in terms of environmental risks and approves the Group's annual environmental risk framework. At its plenary meetings, the Board of Directors ensures the consistency of the Company's commitments and project with regard to environmental issues: • when reviewing strategic projects, especially in the context of the Group Project, which makes Climate; • Strategy one of the pillars; • when each entity's version of the Group Project is presented; • when reviewing the Risk management framework submitted for adoption, if the scope of those strategies justifies it. The composition of the Board of Directors, as well as the biographies and skills of its members are provided in Chapter 3 "Corporate Governance". See Parts 3.2 and 4.1 of Crédit Agricole S.A.'s Extra Financial Performance Statement.
	2 – Describe the role of Management in assessing and managing climate risks and opportunities	The Environmental Risk management framework prepared by the Group Risk Department with the collaboration of Group entities is presented annually to the Group Risk Committee, which consists of Group executives, and afterwards to the Risk Committee of the Board of Directors. This risk management framework determine the environmental risk roadmap for the coming year. The Group Risk Committee assesses the climate issues, examines the suitability of the proposed framework, approves the framework and requests additional work, if required. In addition, the regulatory climate stress tests, as well as the implementation of the actions agreed by the Group in response to the ECB Guide on the management of climate and environmental risks (November 2020), are subject to specific monitoring. These exercises are managed by a dedicated team within the Group Risk Department, which reports regularly to the governance bodies: • Crédit Agricole S.A.'s Executive Committee and Risk Committee have approved the action plan in response to this guide (May 2021), as well as the additional details and actions proposed following the thematic review (November 2022); • the roll-out of the action plan is presented annually to the Group Risk Committee and the Board Risk Committee: a summary of the progress of each project is presented, based on their deadlines, covering the 13 objectives. Any issues of concern are brought to the attention of these committees, in particular to indicate how these actions fit in with projects already underway and which may need to be adjusted; • in addition to project monitoring, the Group Risk Department may alert the governance bodies if necessary to issues relating to environmental risks. It also reports key events to them via a monthly Risk Summary sent to the Executive Committee, as well as through risk position reports presented to the Board's Risk Committee. See sections 3.2 and 4.2 of Crédit Agricole S.A.'s Extra Financial Performance Statement.

TCFD sections	Recommendation	Main elements of the Group's response
Strategy	3 – Describe the climate risks and opportunities identified by the Company in the short, medium and long term	Environmental risks are mapped as major risks by the Group. Understood as risk factors that influence existing risks (counterparty, market, operational, etc.), they cover physical and transition risks. The work is aimed primarily at taking into account acute and chronic physical risks, as well as transition risks through credit risks and reputational risks. The other major risks might be affected in a more secondary way by these risks, just as the other environmental risks do not a priori have a material impact on the major risk classes. The Group's challenges are assessed by evaluating the Group's carbon footprint and exposures for each sector at stake, as well as by analysing vulnerability to transition risks (sectoral approach breaking down exposures to the most carbon-intensive sectors or those most sensitive to transition risk according to the supervisor's classification) and to physical risk (geographical approach based on a selection of contingencies). They are also assessed by forecasting the Group's exposure in various short-, medium- and long-term scenarios.These quantitative studies, carried out in particular as part of the identification of risks, made it possible to complete a qualitative approach and to establish a risk materiality matrix. Thus: • these risks are considered material in the short term for acute physical risks, in the long term for chronic physical risks, and in the potentially short/medium or long term for transition risk; • these risks could take the form of reputational risk, without any occurrences having had material impacts at this stage, but also, secondly, of financial impacts via credit risk. The Group's commitments in supporting transitions, described more fully in the 10 commitments of the Societal Project, confirm that climate issues can also be an opportunity through dedicated offers. See sections 2.3, 3.4 and 4.4 of Crédit Agricole S.A.'s Extra Financial Performance Statement.
	4 – Describe the impact of climate risks and opportunities on the Company's business, strategy and financial planning	For many years, Crédit Agricole Group has been committed to supporting the company's climate transition. Following the climate strategy of 2019, which included a scheduled exit from coal, the Group strengthened its commitments in 2021 and 2022 by signing the financial sector's four Net Zero alliances. It also announced a new programme comprising 10 societal and environmental commitments, and placed it at the heart of its activities. Internally, specific measurement processes have been put in place and environmental risks are taken into account in the definition of strategies and risk frameworks for different Group business lines. Portfolio resistance tests conducted with the ACPR and the ECB also confirmed that the financial impacts of sustainability risks remained limited for the Group, according to the various scenarios used. See sections 3.4 and 4.4 of Crédit Agricole S.A.'s Extra Financial Performance Statement.
Risk management	5 – Describe the resilience of the Company's strategy, taking into account various climate scenarios, including the scenario of a temperature increase of 2°C or less	Internal issue assessment tools confirm that: • the Group's vulnerability to physical risks is increasing to a limited extent in certain regions outside France, but the impact of physical risks remains limited, for both its financing activities and those of Crédit Agricole Assurances, thanks to the implementation of a system for controlling these risks, which limits them; • the impacts of transition risk according to the stress scenarios conducted in the ACPR pilot exercise and the ECB exercise are contained at Group level. They show the Group's resilience to the scenarios chosen for the ECB exercise: orderly, disorderly or no-transition (adverse scenario). The CO_2 price projections for each of these scenarios are transcribed into the sectoral value-added projections within the scope of analysis. Projections are made for the short term (two years) and the long term (2050), with, for the longer term, the development of a dynamic balance sheet that includes a strategic response to the evolution of each sector. See section 4.4 of Crédit Agricole S.A.'s Extra Financial Performance Statement.

TCFD sections	Recommendation	Main elements of the Group's response
Risk management	6 – Describe the Company's procedures for identifying and assessing climate risks	Environment-related risks are identified and analysed as part of the Group's risk identification process, and then fed into the materiality matrix. They are considered to be risk factors that influence the Bank's main risks (credit risk, market risk, etc.), i.e. risks that arise as a result of exposure to counterparties that may be affected by environmental risks. They are evaluated and prioritised by monitoring various indicators and conducting impact studies on the portfolio according to various scenarios, such as the exercise conducted at the end of 2020 with the ACPR or the exercise conducted in 2022 by the ECB. A transition risk vulnerability map has also been drawn up in order to allocate the Group's sectoral exposures according to the level of sensitivity to transition risk established by the ECB. The identification and assessment of environmental risks are the subject of Group methodological approaches, broken down in the entities according to the specific characteristics of their business. See sections 2.3 and 4.4 of Crédit Agricole S.A.'s Extra Financial Performance Statement.
	7 – Describe the Company's procedures for managing climate risks	The Bank's risk management processes are progressively updated to incorporate environmental factors deemed relevant on the basis of one of the risk analyzes performed. These processes are notably defined at Group level and adapted in the entities according to the characteristics specific to their business. The Risk Division issues opinions on the sectoral and entity risk frameworks, which define climate risk management methods appropriate to the challenges of the sectors and entities concerned. The Group's strategy, which consists in directing its financing, investment and managed asset portfolios to support the energy transition, is intended to reduce gross risk over time and further improve the Group's level of resilience. CSR sector policies, which frame activities and define exclusion scopes, contribute to this objective. In addition, the Group's environmental risk management system is being updated to implement the actions agreed in response to the ECB Guide on climate and environmental risk management. The 13 expectations are addressed in sub-projects that are monitored and presented to Executive and Non-Executive Governance, as well as supervisory review work (thematic review, on-site inspection mission). The findings of this work are integrated into the supervisory dialog, in the P2R part of the SREP (as well as the climate stress tests). Some expectations are linked to other regulatory requirements, such as the European Banking Authority's (EBA) guidelines on credit provision (ESG component). Other regulatory changes mainly concern reporting (green asset ratio, Pillar 3 ESG), as the EBA has not yet issued recommendations on the potential impacts of environmental and social risks in Pillar 1. See sections 2.3, 3.4, 4.2, 4.3 and 4.4 of Crédit Agricole S.A.'s Extra Financial Performance Statement.
	8 – Describe how the procedures for identifying, assessing and managing climate risks are incorporated into the overall risk management of the Company	Environmental risks are considered one of the Group's major risks and are defined as factors influencing other major risks. In this sense, they are both subject to dedicated monitoring, with dedicated staff within the Group Risk Division, and are integrated in the existing systems for identifying, assessing, managing and reporting on others risk categories. More specifically, climate governance provides for regular information to be provided to the authorities decisions on the state and management of environmental risks, in particular through Group Risk Committees, and the Risk Committee of the Board of Directors. Indicators presented as part of the risk appetite are communicated to the governance according to the policy and may be subject to an alert according to the thresholds and limits defined. See section 4.1 of Crédit Agricole S.A.'s Extra Financial Performance Statement.

TCFD sections	Recommendation	Main elements of the Group's response
Metrics and targets	9 – Describe the measurement system used by the Company to assess climate risks and opportunities in accordance with its risk management strategy and procedure	Through its climate strategy adopted in June 2019, the Crédit Agricole Group made a commitment to progressively reallocate its financing and investment portfolios in line with the temperature goals of the 2015 Paris Agreement (i.e. a scenario of less than 2°C of warming by 2100). Environmental risks are monitored through several indicators: the carbon footprint of the portfolios, and specific indexes on transition risks and physical risks. When calculating its carbon footprint, the Group implements a methodology for quantifying greenhouse gas (GHG) emissions financed by a financial institution. This P9XCA methodology (renamed SAFE in 2021) enables the Group to calculate, with no double-counting, the order of magnitude of financed emissions and to map those emissions by sector and geographical area. In addition, a medium-term transition risk index has been calculated since 2017 for Crédit Agricole CIB's corporate customer groups using a combination of three factors: • the extent to which the issues will impact financing in the sector, as calculated by the SAFE methodology adopting an issue-based approach; • the importance the country places on reducing greenhouse gas emissions such as the Intended Nationally Determined Contributions (INDC); • the maturity of the customer when faced with climate challenges and its ability to adapt, as evaluated by a non-financial agency or estimated on the geographic average. Finally, physical risks are assessed are assessed on a scale of 1 to 15 using a method that combines sector sensitivity indices (vulnerability on a three-step scale that covers 20 major identified sectors) and geographical sensitivity (based on three variables: share of the population living lower than 5 metres, above sea level agriculture's share of GDP and vulnerability index). See sections 5.4 and 4 of Crédit Agricole S.A.'s Extra Financial Performance Statement.
	10 – Reporting of type 1, type 2 and, where applicable, type 3 greenhouse gas (GHG) emissions and associated risks	Emissions related to the Group's scopes 1, 2 and 3 can be viewed in Parts 5.4 and 5.5 of Crédit Agricole S.A.'s Extra Financial Performance Statement.
	11 – Describe the targets used by the Company to manage climate risks and opportunities and the performance achieved against the targets	Crédit Agricole Group has set itself the objective of contributing to achieving carbon neutrality through its membership of the Net Zero alliances in July 2021, covering both financing and investment portfolios. For scopes 1 and 2: the Group is working on constructing trajectories that are capable of meeting the carbon neutrality targets by 2050. In connection with the Science-Based Target initiative (SBTi), Crédit Agricole S.A. is committed to achieving the following goals: • -50% of absolute emissions in scopes 1 and 2 between 2019 and 2030; • -50% of absolute emissions related to business travel (scope 3 category 6) between 2019 and 2030. For scope 3 category 15, net zero trajectories published for 8 sectors See sections 3.4.6 and 5.4 of Crédit Agricole S.A.'s Extra Financial Performance Statement.

4. RESULTS

4.1. Non-financial performance indicators

Following the publication of its "2025 Ambitions" medium-term plan and its Societal Project, Crédit Agricole S.A. has updated the list of indicators it uses to align with its new objectives. Crédit Agricole CIB is aligned with the Group's strategy and the definition of certain indicators is available in section 4.6. "Methodological note" of this Universal Registration Document.

ESG strategy	Policies	Performance indicators	Unit	2023	2022	2021	2020	Entities concerned
Environmental performance	Accelerating the adoption of renewable energy Making the transition accessible to all and entering a new era through new initiatives Gradually phasing out fossil fuels Net-Zero Banking Alliance	Portfolio of green assets aligned with the Group Green Bond Framework and assets updated and published in November 2023	*€bn*	17	12	11	-	CACIB
		GHG emissions related to all financing and investments (SAFE methodology)	*$MtCO_2$ eq*	41	(1) 43	NP	NP	CACIB
		Reduction of exposure to oil extraction and production by 25% between 2020 and 2025 (outstanding of financing)	*$bn*	4.7	6.1	6.3	7.2	CACIB
		Reduction of exposure to oil extraction and production by 25% between 2020 and 2025 (% change)	*%*	(35)	(16)	(12)	-	CACIB
		Exposure to gas extraction and production (EAD)	*$bn*	3.3	3.9	3.9	4.2	CACIB
		Thermal coal exposure	*€bn*	0.536	0.557	0.572	0.623	CACIB
		80% growth in exposure to low-carbon energies by 2025 (outstanding of financing)	*€bn*	13.8	10.5	8.2	7.4	CACIB
		80% growth in exposure to low-carbon energies by 2025 (% change)	*%*	+86	+42	+11	-	CACIB
	Setting targets for reducing the environmental footprint of our own operations	Reducing our operating carbon footprint by 50% between 2019 and 2030: scopes 1 and 2	*%*	(65)	NP	NP	-	CACIB BFI
		Reducing our operating carbon footprint by 50% between 2019 and 2030: business travel	*%*	(49)	NP	NP	-	CACIB BFI
Social performance	Compliance for the benefit of customers and society	% of employees trained at the AML-CFT, the fight against corruption, the fight against external fraud and international sanctions [3]	*%*	-	NP	NP	NP	CACIB
	Being a responsible employer in a corporate citizen	Percentage of women on Crédit Agricole CIB's Executive Committee	*%*	18.2	18.2	9.1	12.5	CACIB
		Percentage of women in managerial circle 1 of Crédit Agricole CIB	*%*	13.8	17.2	NP	NP	CACIB
		Training course given	*in hours*	282,933	227,546	208,577	128,143	CACIB
		Number of agreements signed	*Number*	26	31	39	36	CACIB
		Absenteeism rate (excluding maternity leave)	*%*	1.9	1.8	1.6	NP	CACIB
		Cumulative number of young people welcomed during the calendar year [2]	*Number*	2,606	2,586	NP	NP	CACIB
ESG performance	ESG risk management	Number of "Sustainable Banking Coordinators" in the network managed by CACIB	*Number*	300	250	NP	NP	CACIB
		% integration of ESG criteria into analysis of financing arrangements	*%*	100	100	100	100	CACIB

(1) The 2022 data recalculated with the new emission factors was 43 (instead of 62).
(2) Data extracted from the Youth Plan, launched in 2022, so data was not published for previous years.
(3) In 2023, training rates were 99.2%, 98.4%, 99.2% and 99.6% respectively.

4.2. Measures related to the indirect carbon footprint

The Group uses a methodology, called SAFE (as described in sections 3.4.2 and 3.4.4), to quantify greenhouse gas (GHG) emissions financed by a financial institution, that allows a calculation, without multiple counting, of the order of magnitude of financed emissions and to determine their sectoral and geographical mapping. According to the SAFE method, the estimation of GHG emissions (scope 3) related to all Crédit Agricole Group's investments and financing is the following (in thousands of tons CO_2 eq.):

	Sectors								
Geographic areas	Agriculture	Real Estate	Energy	Manufacturing	Transport	Waste management	Public services	Other	Total
France	376	421	461	309	1,735	7	28	0	3,336
Germany	7	36	186	51	655	1	0	0	936
Spain	2	45	107	43	387	40	0	0	623
Italy	1	194	481	92	280	0	0	0	1,048
United Kingdom	7	61	645	165	540	95	1	0	1,514
Others Western Europe	168	143	885	542	1,741	8	2	0	3,489
Others Europe	(2)	98	642	679	297	0	0	0	1,715
Africa and Middle-East	(1)	12	959	385	1,676	131	0	0	3,162
United States	(27)	247	3,104	1,180	2,287	67	56	0	6,914
Others North America	28	37	236	167	1,809	0	0	0	2,277
South America	567	11	648	663	2,664	264	0	0	4,818
China	(1)	39	967	1,396	507	0	0	0	2,909
India	0	7	1,437	246	305	60	0	0	2,055
Japan	0	36	0	17	1,505		0	0	1,559
Others Asia	103	88	2,077	954	1,744	112	0	0	5,078
Total (thousands tCO_2e)	**1,227**	**1,476**	**12,835**	**6,891**	**18,132**	**785**	**87**	**0**	**41,434**

◆ Historical data

	Unit	2023	2022 prorata	2022
Total emissions from indirect footprint	$MtCO_2e$	41	43	62

Since 2011, in addition to the standard greenhouse gas (GHG) calculations shown in the "Limiting our direct environmental footprint" section, an estimation of the Bank's financing and investment carbon footprint is now in place, using the SAFE methodology.

This calculation showed an indirect carbon footprint about one thousand times higher than the total operating emissions estimated for Crédit Agricole CIB, reflecting the carbon intensity of activities financed and corresponding to the Bank's active role in the financing of the global economy.

The order of magnitude, on the basis of the amounts outstanding at 31 December 2023, was 41 Mt equivalent of CO_2. Note that emissions and value-added data were updated in 2023 on the basis of the latest available public data. The significant decrease in Crédit Agricole CIB's indirect footprint between 2022 (62 Mt of CO_2 equivalent) and 2023 (41 Mt of CO_2 equivalent) is explained by this update and in particular by the reduction in emissions in certain geographical areas (particularly in Europe) accentuated by the growth in overall GDP (and therefore an increase in value added by sector). The 2022 data recalculated with the new emissions and value-added data would be 43 Mt CO_2 equivalent instead of 62 Mt CO_2 equivalent.

The CSR sector policies and the transition risk index help both reduce the climate risks of Crédit Agricole CIB (see above) and improve climate related results. The transition risk index makes it possible to develop a generalised consideration of this matter across all sectors and countries. Reflecting the positioning of each client as regards the energy transition, this approach appears to be both more precise and more relevant than one that is only based on successive sector-based exclusions.

The good performances achieved in climate finance reflect Crédit Agricole CIB's positive action in this area:

- Crédit Agricole CIB's exposure to low-carbon energies was €13.8 billion at the end of 2023.
- Since 2019, Crédit Agricole CIB has calculated its exposure to the thermal coal sector. Declining since 2020, this exposure stood at €536m at the end of 2023.

4.3. Measures related to the environmental footprint of Crédit Agricole CIB's operations

All the data below are collected and calculated in accordance with the Crédit Agricole Group's extra-financial reporting protocol.

4.3.1 Greenhouse gas (GHG) emissions

In 2022, following the commitments made in accordance with the recommendations of the SBTI (Science Based Targets Initiative), new indicators for monitoring the operating footprint were introduced by the Crédit Agricole Group. The data below relate to Crédit Agricole CIB group.

Indicators	Unit	2023	2022
Scope 1	tCO_2e	**2,582**	**2,839**
of which gas consumption of buildings tCO2e	tCO_2e	1,558	1,859
of which fuel consumption of the vehicle fleet	tCO_2e	1,020	980
Scope 2 [1]	tCO_2e	**3,731**	**6,626**
o/w electricity consumption of buildings	tCO_2e	3,255	5,881
of which electricity consumption of data centers	tCO_2e	475	745
o/w heating network	tCO_2e	0.3	0.4
o/w cooling network	tCO_2e	0.06	0.02
Scope 3 (upstream)	tCO_2e	**14,974**	**12,566**
3.3. Energy-related emissions not included in scopes 1 and 2	tCO_2e	579	526
3.6. Business travel	tCO_2e	14,395	12,040

[1] *Several entities valued the electricity purchased via guarantee of origin certificates, resulting in a significant reduction in scope 2 emissions.*

4.3.2 Energy

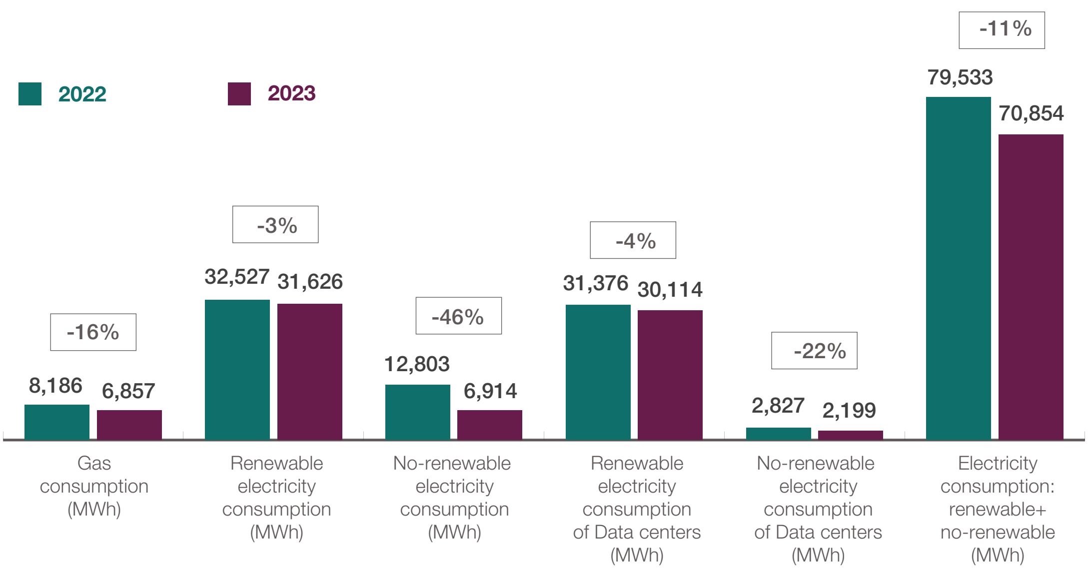
ELECTRICITY

The data published covers the electricity consumption of all Crédit Agricole CIB entities and Indosuez Wealth Management and the data centres, over a total area of 256,217m^2.

For Crédit Agricole CIB in the Paris region, the buildings in Montrouge and Saint-Quentin-en-Yvelines consume 100% "green" electricity, meaning that it is generated by renewable hydroelectric sources of energy. In 2023, Japan, India (Mumbai), Italy and Mumbai began to consume "green" electricity, leading to a significant reduction in non-renewable electricity. Thus, 42% of electricity consumption is "green" in Crédit Agricole CIB's international entities.

At **Indosuez Wealth Management**, the majority of entities consume green electricity (> 80%).

94% of Crédit Agricole CIB's international entities have launched initiatives to reduce consumption: awareness-raising, change management, technical initiatives (e.g. equipment renewal, etc.).



GAS

The data published by Crédit Agricole CIB covers the gas consumption of all Crédit Agricole CIB Group entities, including those of Indosuez Wealth Management.

The 16% fall in consumption between 2022 and 2023 is due to the milder climate.

HEAT OR STEAM NETWORKS AND URBAN NETWORK

This source of heating is only used in Russia and by Indosuez Wealth Management in Luxembourg as well as in Paris. On a constant perimeter, an almost 3% drop in consumption was recorded in 2023.

4.3.3 Business travel

In 2023, business travel by the Crédit Agricole CIB Group picked up but at a slower pace than in the pre-Covid period.

The widespread use of remote meetings and remote working by the business lines at which such practices are possible helped to reduce the carbon footprint of business travel: 58 million km were travelled by employees by train and by airplane.

	2022		2023			
	KM	$TeqCO_2$	KM	$TeqCO_2$	Change in KM	Change in $TeqCO_2$
Total air travel	41,775,958	12,016	51,831,143	14,360	24%	20%
Total train travel	3,897,853	23	5,852,816	35	50%	50%

4.3.4 Fuel consumption by the vehicle fleet

The fuel consuption of the car fleet is slightly higher, i.e. +4%.

4.3.5 Water

In 2023, although employees in France and abroad returned to the site, employees worked remotely to a significant extent, and water consumption rose only 3% compared with 2022.

4.3.6 Waste

Crédit Agricole CIB in France and abroad, including the **Indosuez Wealth Management** entities, generated nearly 760 tonnes of waste. However, more than 86% of waste was reused, recovered or recycled.

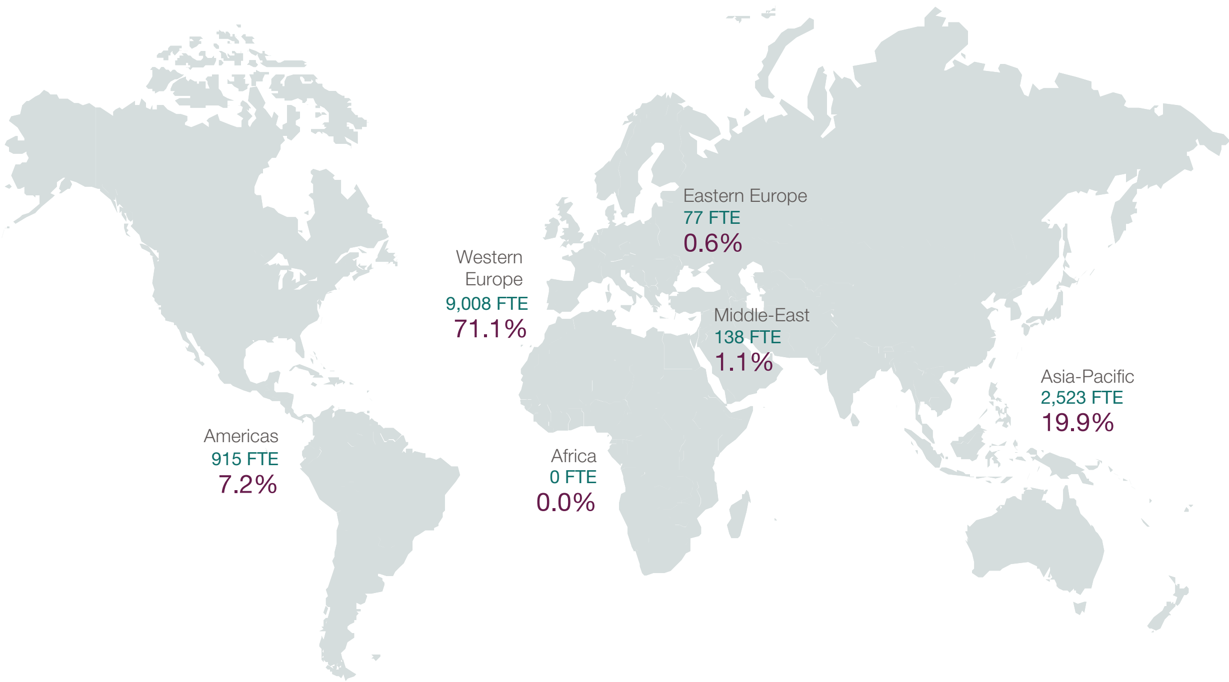
4.3.7 Paper

Independently of the return of employees on site in France and abroad in 2023, but with the widespread use of teleworking, a significant drop in paper consumption of nearly 26% was recorded compared to 2022.

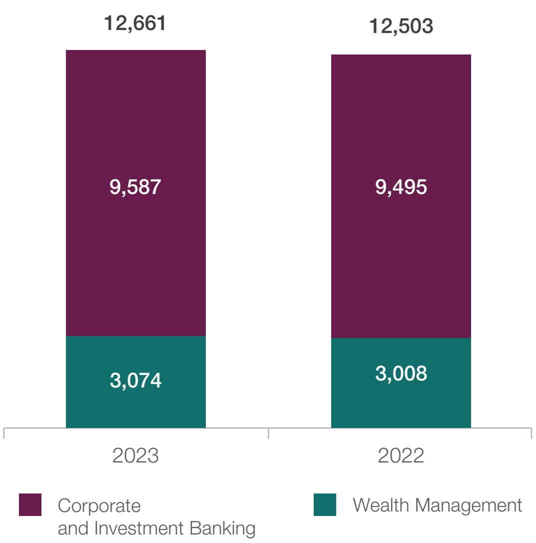
4.4. Human resources indicators

▶ Workforce

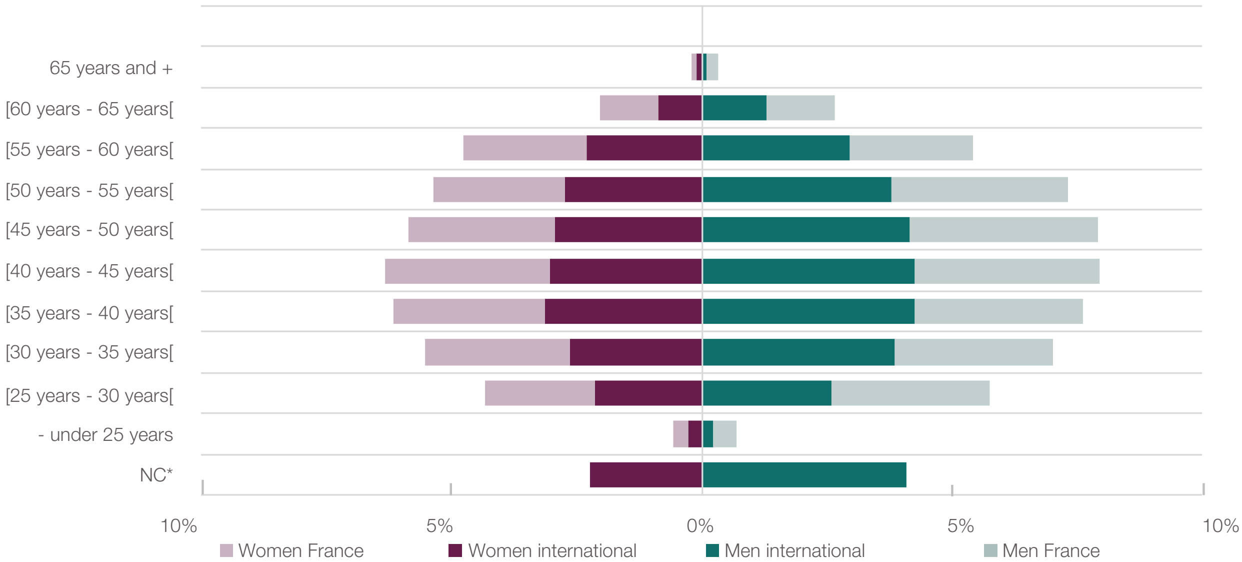
At the end of 2023, Crédit Agricole CIB had 12,661 full-time equivalent (FTE) employees and a presence in more than 30 countries.



▶ Workforce by business area (FTE: Full time equivalent)



Age structure



*For regulatory reasons, some entities (particularly in Americas) do not disclose "age" data.

Average age and length of service

	2023			2022		
	France	International	TOTAL	France	International	TOTAL
Average Age	43 years 4 months	43 years 5 months	43 years 5 months	43 years 3 months	43 years 2 months	43 years 3 months
Average length of service	12 years 11 months	9 years 2 months	10 years 11 months	13 years 1 month	9 years 2 months	11 years

Headcount by type of contract (FTE: Full-time equivalent)

	2023			2022		
	France	International	TOTAL	France	International	TOTAL
Permanent contract	5,624	6,651	12,274	5,468	6,604	12,072
Fixed-term contract	36	351	387	39	391	430
Total active headcount	5,659	7,002	12,661	5,507	6,996	12,503
Number of permanent employees on leave of absence	108	31	139	105	33	138
TOTAL	**5,767**	**7,033**	**12,800**	**5,612**	**7,029**	**12,641**

In 2023, 97% of all employees were on permanent contracts, stable vs 2022.

Departures of permanent employees by reason

	2023				2022			
	France	International	TOTAL	%	France	International	TOTAL	%
Resignations	130	473	603	60.9	174	711	885	76.0
Retirements and early retirements	84	53	137	13.8	78	44	122	10.5
Dismissals	6	80	86	8.7	6	72	78	6.7
Deaths	1	3	4	0.4	3	5	8	0.7
Other departures	50	110	160	16.2	29	42	71	6.1
TOTAL DEPARTURES OF PERMANENT EMPLOYEES	**271**	**719**	**990**	**100**	**290**	**874**	**1,164**	**100**
Scope covered				**100%**				**100%**

The turnover rate is 9% in 2023, with a resignation rate of 4.8%. In 2022, the turnover rate was 12.9%, with a resignation rate of 7.4%.

▶ Absenteeism in calendar days

	2023					2022		
	TOTAL					TOTAL		
	Women	Men	No. Of days	%	Average number of days of absence per employee	No. Of days	%	Average number of days of absence per employee
Sickness	39,318	25,872	65,190	50.9	5.3	71,264	51.5	6.0
Accident	644	387	1,031	0.8	0.1	1,356	1.0	0.1
Maternity, paternity, breastfeeding leave	35,900	5,924	41,824	32.7	3.4	48,919	35.3	4.1
Authorised leave	6,648	7,681	14,329	11.2	1.2	12,827	9.3	1.1
Other	3,357	2,219	5,576	4.4	0.5	4,081	2.9	0.3
TOTAL	**85,867**	**42,083**	**127,950**	**100**	**10.4**	**138,447**	**100**	**11.6**
Rate of absenteeism					**2.9%**			**2.5%**
Rate of absenteeism excl. Maternity					**1.9%**			**1.8%**
Scope covered					**98%**			**97%**

▶ Promotions in France

	2023			2022		
	Women	Men	TOTAL	Women	Men	TOTAL
Promotion within the non-executive category	4	2	6	1	2	3
Promotion from non-executive to executive	18	3	21	26	3	29
Promotion within the executive category	122	169	291	238	307	545
TOTAL	**144**	**174**	**318**	**265**	**312**	**577**
%	45.3	54.7	100	45.9	54.1	100
France scope covered			**99%**			**99%**

4.5. Methodological note

The indicators presented in this document were collected and calculated in accordance with Crédit Agricole S.A.'s methodology. This note provides methodological details on the reporting processes applied by Crédit Agricole S.A. in collecting and monitoring the non-financial performance indicators presented in its Statement of Non-Financial Performance. The indicators and information presented in the Statement of Non-Financial Performance are based on Crédit Agricole's internal guidelines, the guidelines of the fourth edition of the Global Reporting Initiative (GRI G4)[1], the ten principles of the United Nations Global Compact, and the six principles of the Principles for

Responsible Banking.

In 2022, Crédit Agricole S.A. redefined the list of its performance indicators in order to be able to monitor and better report on its progress in relation to the ten commitments of the Societal Project.

CRÉDIT AGRICOLE CIB GROUP SCOPE

The scope of the Crédit Agricole CIB Group for the purposes of reporting non-financial information corresponds to its financial consolidation scope presented in Note 12.3 to the consolidated financial statements in Chapter 6 of this Universal Registration Document. Where scope limitations are applied on a case-by-case basis to certain non-financial performance indicators, these are explained in section 4.1. "Non-financial performance indicators". The environmental values presented in section 4.3. "Environmental footprint measurements linked to the operation of Crédit Agricole CIB" relate to the 14 controlled entities with more than 100 FTEs[2] at 31 December 2023 as well as 3 entities with fewer than 100 FTEs but of a sufficiently large size that we have chosen to integrate them voluntarily.

(1) Launched in 1997 by the Coalition for Environmentally Responsible Economies (CERES) in partnership with the United Nations Environment Programme (UNEP), the GRI is a long-term, international, multi-stakeholder initiative to develop and disseminate guidelines for voluntary sustainability reporting by multinational enterprises (MNEs) that wish to report on the economic, environmental and social dimensions of their activities, products and services. GRI G4 is the fourth edition of the Global Reporting Initiative. The GRI has not verified the content of this report, nor the validity of the information provided (www.globalreporting.org).
(2) The three entities are : South Korea, Taiwan and Brasil.

DETAILS AND METHODOLOGICAL LIMITATIONS OF THE INDICATORS

Non-financial performance indicators may have methodological limitations due to the lack of harmonisation between national and international definitions and laws and/or the qualitative nature of some data. Crédit Agricole CIB applies Crédit Agricole S.A.'s definitions.

Indicators	Clarifications
SOCIAL INDICATORS	
Number of requests to exercise rights received by Group entities	Number of requests to exercise rights received under the General Data Protection Regulation (access, rectification, erasure - or right to "be forgotten", right to restriction of processing, right of objection and right to data portability) by the Crédit Agricole Group's entities.
Aggregate number of young people welcomed during the calendar year	Number of young people present during the year (youth contracts)
Number of hours of training received by employees	Both face-to-face and e-learning hours are counted in the hours of training received by employees. Regardless of the number of training courses taken by an employee, the latter is counted only once as a training beneficiary.
ENVIRONMENTAL INDICATORS	
Portfolio of green assets aligned with the Green Bond Framework and the European taxonomy	The portfolio consists of green assets aligned with the eligibility criteria of the new Group Green Bond Framework published in November 2023 and assets that are 100% aligned with the European taxonomy
GHG emissions related to all financing and investments (SAFE methodology)	Greenhouse gas emissions from holding a financial asset. This implies that issues can be related to on-balance sheet commitments and funding flows granted (annual funding flows). More indirect links are not integrated (advice to companies or individuals, arrangement of syndicated financing or placed with others financial or non-financial actors).
Reduction of exposure to oil extraction and production by 25% between 2020 and 2025 (outstanding financing and % change)	Exposure to upstream oil is expressed in EAD (Exposure At Default). It is calculated based on the total EAD of each client, relative to the share of their activity represented by upstream oil. This share of upstream oil is calculated by multiplying the upstream share of CAPEX by the share of oil in the client's upstream production (oil and gas). This approach is more conservative, as the upstream share of CAPEX is generally 3-4 times higher than the upstream share of clients' revenue. This calculation is based on client data. The commitment to reduce exposure to upstream oil by 25% is made against a 2020 baseline expressed in USD, the reference currency for the majority of the Oil & Gas portfolio's credit exposure. Changes to this indicator are therefore monitored in US dollars, although reports also include figures in euros.
Exposure to gas extraction and production (EAD)	Exposure to upstream gas is expressed in EAD (Exposure At Default). It is calculated from the total EAD of each customer, measured by the share of gas upstream in their business. This share of upstream gas is calculated by multiplying the upstream share in the CAPEXs by the share of gas upstream of the customer. This approach is more conservative, the upstream share of CAPEX being generally 3 to 4 times higher than upstream's share in customers' turnover. This calculation is performed using customer data.
Thermal coal exposure	Exposure to thermal coal is calculated in EAD (Exposure At Default), based on direct financing dedicated to coal and non-dedicated financing, relative to the share of thermal coal in each client's revenue. In the absence of revenue data for the thermal coal business only, revenue from the coal business as a whole (thermal and metallurgical) is used. This calculation is made using client data and data purchased from external data providers, using the latest available data as a priority (the most recent data). Clients whose share of thermal coal represents strictly less than 1% of their revenue are not included in the calculation of Crédit Agricole CIB's coal exposure.

Indicators	Clarifications
80% increase in exposure to low-carbon energies by 2025 (outstanding financing on low-carbon energies)	The exposure to low-carbon energies covers the activities of production and storage. This includes renewable energy (wind, solar, biomass, geothermal, hydroelectric, wave/tidal), nuclear energy, and biofuels. This exposure is calculated in EAD (Exposure At Default), based on dedicated financing (i.e. financing of dedicated assets and projects) and non-dedicated financing. For dedicated financing, the amounts are related to the share of low-carbon electricity production associated with each project or asset, calculated from installed capacity data by technology associated with the project or asset. Non-dedicated financing is related to the share of low-carbon energies in the turnover of each client. This calculation is made using client data and data purchased from external data providers, using the latest available data as a priority (the most recent data).
Reducing our operating carbon footprint by 50% between 2019 and 2030: scopes 1 and 2	This indicator is calculated as the percentage reduction in scope 1 and 2 greenhouse gas emissions in year N compared to emissions in the 2019 baseline year. The methodology applied is that applied by the Crédit Agricole Group.
Reducing our operating carbon footprint by 50% between 2019 and 2030: business travel	This indicator is calculated as the percentage reduction in greenhouse gas emissions from business travel in year N compared to emissions in the 2019 baseline year. The methodology applied is that applied by the Crédit Agricole Group.
ESG INDICATORS	
Network of Sustainable Banking Coordinators	Number of Crédit Agricole Group employees belonging to the network managed by Crédit Agicole CIB.

4.6. Recognition of non-financial performance by stakeholders

MEMBERSHIP OF THE MAIN INTERNATIONAL INDICES

Crédit Agricole S.A.'s non-financial performance is illustrated by ratings awarded by specialised companies assessing companies on their ESG policy. Crédit Agricole CIB, along with other Group entities, contributes to the non-financial performance ratings scored by Crédit Agricole S.A.

Through its ESG strategy and all the actions implemented by the entities, Crédit Agricole S.A. is strengthening its non-financial performance:

- rated A- by CDP;
- rated AA by MSCI since 2022;
- rated 72 by Moody's Analytics in 2023 and included in the Euronext Vigeo World 120, Europe 120 and France 20 indices;
- rated 22.9 by Sustainalytics in 2023 (1); Crédit Agricole CIB rated 20.1 in 2023;
- rated C+ Premium by ISS-ESG since 2022;
- inclusion in the UK FTSE4Good index for several years, confirmed in 2023.

For more than 20 years, the Crédit Agricole Group has shown its dedication through its various commitments. Crédit Agricole CIB fully contributes to the actions taken and the commitments made by the Group. Below Crédit Agricole Group's commitments:

SIGNATORY OF THE

- Women's Empowerment Principles since 2022;
- Net-Zero Banking Alliance, Net-Zero Asset Owner Alliance, Net-Zero Asset Managers Initiative since 2021 and Net-Zero Insurance Alliance in 2022;
- Finance for Biodiversity Pledge since 2021 (Amundi commitment);
- Principles for sustainable insurance since 2021;
- Tobacco Free Finance Pledge since 2020;
- Principles for responsible banking and collective commitment to climate action since 2019;
- Business for Inclusive Growth (B4IG) since 2019;
- Poseidon principles since 2019;
- One Planet Sovereign Wealth Fund Asset Manager Initiative since 2019;
- Manifesto for the inclusion of people with Disabilities in Economic Life since 2019;
- Science-Based Targets since 2016;
- RE100 since 2016;
- Charter for the energy efficiency of commercial buildings since 2013;
- Responsible Purchasing Charter since 2010;
- Corporate diversity Charter since 2008;
- Parenthood Charter since 2009, renewed in 2022;
- Principles for Responsible Investment since 2006;
- United Nations Global Compact since 2003.

CO FOUNDING MEMBER

- Finance for Tomorrow since 2017;
- IIRC (International Integrated Reporting Council) since 2016;
- Mainstreaming Climate Action Within Financial Institutions since 2015;
- Catalytic Finance Initiative since 2015;
- French Business Climate Pledge since 2015;
- BBCA association (low-carbon building design) since 2015;
- Green Bonds Principles since 2014;
- Portfolio Decarbonization Coalition since 2014;
- Equator Principles since 2003.

PARTICIPANT

- Taskforce on Nature-related Financial Disclosures (TNFD) since 2022;
- AIGCC (Asia Investor Group on Climate Change) since 2020;
- Climate Action 100+ since 2017;
- Task Force on Climate Financial Disclosures (TCFD) since 2017;
- Montreal Carbon Pledge since 2015;
- Paris Appeal on Climate Change since 2015;
- Call for carbon pricing at the initiative of the World Bank Group in 2014.

OTHER POSITIONS

- Modern Slavery Statement since 2017.

(1) The lower the rating, the lower the ESG risk.

CORPORATE GOVERNANCE

3

3
CONTENTS

EXECUTIVE MANAGEMENT AND EXECUTIVE COMMITEE OF CRÉDIT AGRICOLE CIB AT 31 DECEMBER 2023

CHIEF EXECUTIVE OFFICER

1

XAVIER MUSCA

Xavier
MUSCA

DEPUTY CHIEF EXECUTIVE OFFICERS

3

JEAN-FRANÇOIS BALAŸ
OLIVIER BÉLORGEY
PIERRE GAY

Jean-François
BALAŸ

Olivier
BÉLORGEY

Pierre
GAY

EXECUTIVE COMMITEE
(Chief executive officer and Deputy chief executive officers included)

11

JEAN-FRANÇOIS DEROCHE
STÉPHANE DUCROIZET
PIERRE DULON
DIDIER GAFFINEL
NATACHA GALLOU
GEORG ORSSICH
ANNE-CATHERINE ROPERS

Jean-François
DEROCHE
Senior Regional Officer

Stéphane
DUCROIZET
Senior Regional Officer

Pierre
DULON
Deputy General Manager

Didier
GAFFINEL
Deputy General Manager

Natacha
GALLOU
Deputy General Manager

Georg
ORSSICH
Senior Regional Officer

Anne-Catherine
ROPERS
Deputy General Manager

BOARD OF DIRECTORS

BOARD OF DIRECTORS' MEETINGS

7

in 2023

SPECIALISED COMMITTEES

4

- Audit Committee
- Risk Committee
- Compensation Committee
- Appointments and Compensation Committee

ATTENDANCE RATE

94%

at the meetings in 2023

1. BOARD OF DIRECTORS' REPORT ON CORPORATE GOVERNANCE

To the shareholders,

Pursuant to the last paragraph of Article L. 225-37 of the French Commercial Code, the report on corporate governance was prepared by the Board of Directors as a supplement to the management report. It notably presents the information which is required under Articles L.22-10-10, L.22-10-11 and L. 225-37-4 of the French Commercial Code, particularly the information concerning the composition of the management bodies (Executive Management and Board of Directors), the conditions for preparing and organising the work of the Board of Directors and its Committees and compensation.

It was prepared on the basis of the work of the Board of Directors and its Committees, the Secretary of the Board of the Board of Directors, the Human Resources Department and the procedures and documentation on internal governance existing at Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB).

This report was previously presented to the Appointments and Governance Committee and to the Compensation Committee with respect to the sections which are covered by their respective areas of expertise. It was approved by the Board of Directors at its meeting on 6 February 2024.

Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) applies the AFEP-MEDEF Corporate Governance Code, updated in December 2022, available at: http://www.afep.com/ or https://www.medef.com/.

Note - Abbreviations used in the Board of Directors' report on corporate governance:
GM: General Meeting
Board: Board of Directors

1.1. Organisation of the corporate governance bodies

1.1.1. Separation of the functions of Chairman of the Board of Directors and Chief Executive Officer

On 15 May 2002, the Board of Directors decided to separate the position of Chairman of the Board of Directors from the position of Chief Executive Officer, in accordance with Article 13 paragraph 5 of the Company's articles of association (see Chapter 8 of the present Universal Registration Document), Articles L.225-51-1 and seq. of the French Commercial Code and Article L.511-58 of the French Monetary and Financial Code [(1)].

This choice followed the resolution passed at the 15 May 2002 General Meeting to change the Crédit Agricole CIB's structure from a French *société anonyme* (public limited company) governed by a Supervisory Board and Management Board to a French *société anonyme* governed by a Board of Directors.

Function	Name	Appointment	Term of office	Powers
Chairman	Philippe BRASSAC	Appointed Chairman of the Board of Directors from 20 May 2015	- Reappointed for the duration of his director mandate by the Board of Directors meeting on 3 May 2022, i.e. until the conclusion of the Ordinary General Meeting which will rule on the financial statements for 2024 financial year.	- He organises and directs the work of the Board of Directors. - He ensures that Crédit Agricole CIB's corporate bodies function correctly. - In particular, he ensures that the directors are able to carry out their duties. - In general, the Chairman possesses all the powers attributed to him by the legislation in force. (Art. 15 of the articles of association)
Chief Executive Officer	Xavier MUSCA	Appointed Chief Executive Officer from 1 September 2022	- Appointed Chief Executive Officer by the Board of Directors on 28 July 2022 with effect from 1 September 2022 for an indefinite period.	- He is vested with the broadest powers to act in all circumstances on behalf of Crédit Agricole CIB, within the limits of the company's purpose and subject to the powers expressly granted by law to shareholders at general meetings and to the Board of Directors. - He represents Crédit Agricole CIB in its dealings with third parties. (Art. 16.1 of the articles of association)

Information on the composition of the Executive Management is available in Section 1.1.4 of this report.

(1) Article L.511-58 of the French Monetary and Financial Code provides that the role of Chairman of the Board of Directors of a credit institution cannot be carried out by the Chief Executive Officer.

1.1.2. Composition of the Board of Directors

COMPOSITION OF THE BOARD OF DIRECTORS AT 31 DECEMBER 2023

Philippe BRASSAC
(Chairman)

Laure BELLUZZO

Sonia BONNET-BERNARD
(Independent)

Paul CARITE

Marlène DOLVECK
(Independent)

Guy GUILAUMÉ

Luc JEANNEAU

Jérôme KARKULOWSKI
(Elected by employees)

Abdel-Liacem LOUAHCHI
(Elected by employees)

Meritxell MAESTRE CORTADELLA
(Independent)

Anne-Laure NOAT
(Independent)

Carol SIROU
(Independent)

Odet TRIQUET

Emmanuel VEY

Claude VIVENOT

Valérie WANQUET

Émile LAFORTUNE
(Non-voting advisory member of the Board)

Christian ROUCHON
(Non-voting advisory member of the Board)

REMINDER OF PROVISIONS OF THE ARTICLES OF ASSOCIATION

Number of directors on the Board of Directors	The Board of Directors is made up of between six and twenty directors: - at least six of whom are appointed by the shareholders' General Meeting and - two of whom elected by employees in accordance with the provisions of Articles L. 225-27 to L. 225-34 of the French Commercial Code. *(Art. 9 of the articles of association)*
Period of office as directors appointed by shareholders	The period of office as Director appointed by the General Meeting is three years. *(Art. 9.1 of the articles of association)*
Directors representing employees	The directors representing the employees, of whom there are two, are elected for a period expiring on the same day: - either at the close of the Annual Shareholders meeting held in the third calendar year following their election, - or upon completion of the elections organized during this third calendar year when these take place after the annual shareholders meeting. *(Art. 9.2 of the articles of association)*
Age of the directors	Any Director reaching the age of sixty-five is considered to have automatically resigned at the end of the Annual General Meeting that follows the date of the anniversary in question. However, the term of office of a Director appointed by the General Meeting who has reached the age limit may be renewed for a maximum of five subsequent one-year periods, provided the total number of Directors aged sixty-five or over at no time exceeds one-third of the total number of Directors in office. *(Art. 10 of the Articles of Association).*
Non-voting advisory members of the Board and members of the Economic and Social Committee	The following individuals may also attend meetings of the Board of Directors in an advisory capacity: - the non-voting advisory member(s) of the Board appointed by the Board of Directors; - one member of the Economic and Social Committee, appointed by that Committee. *(Art. 9 of the articles of association)*

DIRECTORS AND NON-VOTING ADVISORY MEMBERS OF THE BOARD AT 31 DECEMBER 2023

Directors/Non-voting advisory members of the board at 31 December 2023	Year of first appointment	Date of last reappointment	End of current term of office	Chairman or Member of a Committee
Philippe BRASSAC *(Chairman of the Board of Directors)*	23 February 2010 [1]	3 May 2022	2025 GM	
Laure BELLUZZO	2 November 2021 [1]	3 May 2022	2025 GM	
Sonia BONNET-BERNARD	3 May 2022		2025 GM	Chairwoman of the Audit Committee - Member of the Risk Committee, Member of the Appointments and Governance Committee
Paul CARITE	7 May 2019	3 May 2023	2026 GM	Member of the Risk Committee
Marlène DOLVECK [2]	8 December 2023		2026 GM	Member of the Audit Committee and the Compensation Committee
Guy GUILAUMÉ	3 May 2021		2024 GM	Member of the Audit Committee
Luc JEANNEAU	4 May 2017	3 May 2023	2026 GM	Member of the Compensation Committee - Member of the Appointments and Governance Committee
Jérôme KARKULOWSKI [3]	29 November 2023		2026	
Abdel-Liacem LOUAHCHI [3]	25 November 2020	29 November 2023	2026	Member of the Compensation Committee
Meritxell MAESTRE CORTADELLA	4 May 2020	3 May 2023	2026 GM	Chairwoman of the Appointments and Governance Committee Member of the Audit Committee and the Risk Committee
Anne-Laure NOAT	30 April 2014	3 May 2023	2026 GM	Chairwoman of the Risk Committee and the Compensation Committee Member of the Audit Committee
Odet TRIQUET	4 May 2018	3 May 2021	2024 GM	Member of the Risk Committee
Carol SIROU	3 May 2023		2026 GM	Member of the Risk Committee
Emmanuel VEY	9 December 2022 [1]		2025 GM	Member of the Audit Committee
Claude VIVENOT	3 May 2021	3 May 2022	2025 GM	
Valérie WANQUET	7 February 2023 [1]		2024 GM	
Émile LAFORTUNE *(Non-voting advisory member of the board)* [4]	4 May 2020	3 May 2023	2026	
Christian ROUCHON *(Non-voting advisory member of the board)* [4]	7 May 2019	3 May 2022	2025	

[1] Co-opted by the Board of Directors.
[2] Appointed by the General Meeting of 8 December 2023. Given that Mrs Catherine POURRE has reached the age limit for Directors (Article 10, paragraph 1 of the Articles of Association), her term of office as Director expired at the General Meeting held on 3 May 2023. Mrs Catherine POURRE was replaced by Mrs Marlène DOLVECK on 8 December 2023.
[3] Director elected by employees. Jean-Guy LARRIVIERE was not re-elected by the employees on 29 November 2023, the date on which his term of office ended. Jérôme KARKULOWSKI was elected to replace him. Abdel-Liacem LOUAHCHI was re-elected by the employees on 29 November 2023.
[4] Appointed by the Board of Directors in accordance with Article 17 of the Articles of Association.

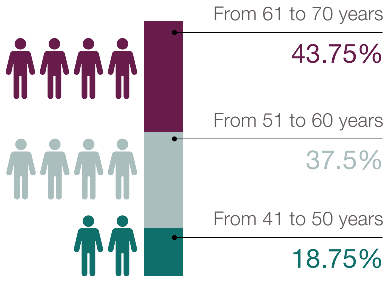
CHANGES TO THE COMPOSITION OF THE BOARD OF DIRECTORS IN 2023

Directors/Non-voting advisory members of the Board	Appointment	Reappointment	End of term of office
Paul CARITE		GM of 3 May 2023	
Marlène DOLVECK	GM of 8 December 2023		
Françoise GRI			GM of 3 May 2023
Luc JEANNEAU		GM of 3 May 2023	
Jérôme KARKULOWSKI[1]	29 November 2023		
Jean-Guy LARRIVIERE[1]			29 November 2023
Abdel-Liacem LOUAHCHI[1]		29 November 2023	
Meritxell MAESTRE CORTADELLA		GM of 3 May 2023	
Anne-Laure NOAT		GM of 3 May 2023	
Catherine POURRE			GM of 3 May 2023
Carol SIROU	GM of 3 May 2023		
Valérie WANQUET	Co-opted by the Board of Directors on 7 February 2023		

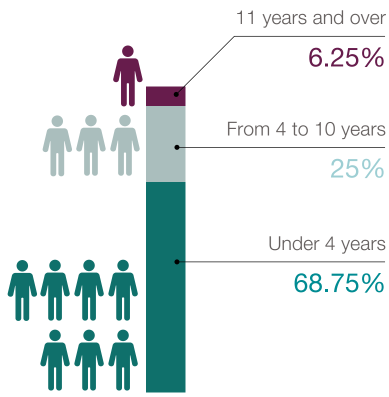
[1] *Director elected by employees.*

AVERAGE AGE OF DIRECTORS AT 31 DECEMBER 2023

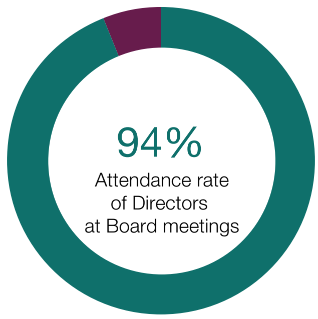
At 31 December 2023, the average age of the Directors on the Crédit Agricole CIB Board of Directors was 57.5.



SENIORITY IN OFFICE AT 31 DECEMBER 2023 (DIRECTORS)

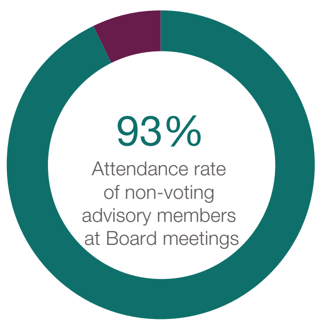


ATTENDANCE RATE OF DIRECTORS AT BOARD OF DIRECTORS' MEETINGS IN 2023



The average rate of attendance of members at Board of Directors' meetings, including members whose term of office expired during the year, was 94% for all Board meetings in 2023.

ATTENDANCE RATE OF NON-VOTING ADVISORY MEMBERS OF THE BOARD AT BOARD OF DIRECTORS' MEETINGS IN 2023

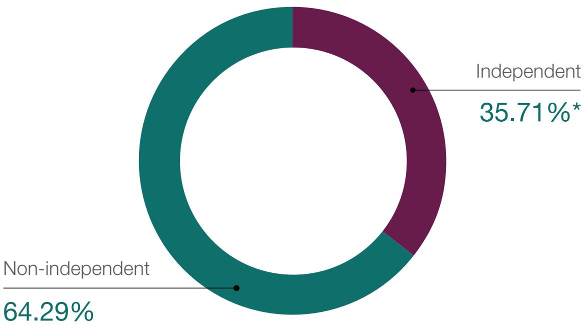


The average attendance rate of Non-voting advisory members of the Board was 93% for all Board of Directors' meetings in 2023.

SUMMARY TABLE OF ATTENDANCE RATES IN 2023

	Number of Board meetings that the Director should have attended in 2023	Number of Board meetings attended by the Director in 2023	Attendance rate
Philippe BRASSAC	7	7	100.00%
Laure BELLUZZO	7	7	100.00%
Sonia BONNET-BERNARD	7	7	100.00%
Paul CARITE	7	7	100.00%
Marlène DOLVECK	1	1	100.00%
Françoise GRI	2	1	50.00%
Guy GUILAUMÉ	7	7	100.00%
Luc JEANNEAU	7	7	100.00%
Jérôme KARKULOWSKI	1	1	100.00%
Jean-Guy LARRIVIERE	6	6	100.00%
Abdel-Liacem LOUAHCHI	7	7	100.00%
Meritxell MAESTRE CORTADELLA	7	7	100.00%
Anne-Laure NOAT	7	7	100.00%
Catherine POURRE	2	2	100.00%
Carol SIROU	5	5	100.00%
Odet TRIQUET	7	6	86.00%
Emmanuel VEY	7	6	86.00%
Claude VIVENOT	7	6	86.00%
Valérie WANQUET	7	6	86.00%

INDEPENDENT DIRECTORS ON THE BOARD OF DIRECTORS AT 31 DECEMBER 2023 (IN ACCORDANCE WITH THE RECOMMENDATIONS OF THE AFEP/MEDEF CODE)



Percentages computed according to Recommendation 10.3 of the AFEP/MEDEF Code. The calculation does not include directors elected by employees

The composition of the Board of Directors reflects Crédit Agricole CIB's positioning within the Crédit Agricole Group and the goal of fostering synergies between its constituent entities. 64.3% of directors are Chairmen or Chief Executive Officers of Crédit Agricole Regional Banks or Heads of subsidiaries. Because they directly come from the Crédit Agricole Group, in which they perform their duties, these directors are not considered independent.

Based on recommendations given by the Appointments and Governance Committee, the Board of Directors reviewed the list of directors eligible to be qualified as independent at its meeting of 6 February 2024. Based on the information available, there were five female Independent Directors at 31 December 2023: Mrs Sonia Bonnet-Bernard, Mrs Marlène Dolveck, Mrs Meritxell Maestre Cortadella, Mrs Anne-Laure Noat and Mrs Carol Sirou. The proportion of Independent Directors on the Board of Directors is more than one third of the total number of Directors appointed by the General Meeting of Shareholders. This complies with Recommendation 10.3 of the AFEP/MEDEF Code, which states that at least one third of the Directors appointed by the General Meeting of Shareholders, in companies whose capital is held by a majority shareholder, must be Independent Directors.

For each director, this assessment was based on the independence criteria in points 10.5 to 10.7 of the AFEP/MEDEF Code.

TABLE OF INDEPENDENT DIRECTORS (AFEP-MEDEF CRITERIA) AT 31 DECEMBER 2023

Note: ✓ indicates that the criterion was met / x indicates that the criterion was not met

31 December 2023 (revised on 6 February 2024)	Criterion 1	Criterion 2	Criterion 3	Criterion 4	Criterion 5	Criterion 6	Criterion 7	Criterion 8	Criterion 9
Sonia BONNET-BERNARD	x (*)	✓	✓	✓	✓	✓	✓	N/A	(*) Criterion 1: Ms Bonnet-Bernard is also: An Independent Director of Crédit Agricole S.A. Her position was examined by the Appointments and Governance Committee and the Board of Directors which, pursuant to criterion 9 below, decided that she could be considered as independent.
Marlène DOLVECK	✓	✓	✓	✓	✓	✓	✓	N/A	
Meritxell MAESTRE CORTADELLA	✓	✓	✓	✓	✓	✓	✓	N/A	
Anne-Laure NOAT	✓	✓	✓	✓	✓	✓	✓	N/A	
Carol SIROU	x (*)	✓	✓	✓	✓	✓	✓	N/A	(*) Criterion 1: Carol Sirou is also: An Independent Director of Crédit Agricole S.A. Her position was examined by the Appointments and Governance Committee and the Board of Directors which, pursuant to 9 below, decided that Ms Sirou could be considered as independent.

For each director, this assessment was based on the independence criteria in points 10.5 to 10.7 of the AFEP/MEDEF Code, as set out below:

Criterion 1

Employee corporate officer within the past five years (see § 10.5.1 of the AFEP/MEDEF Code)

Not to be and not to have been within the previous five years:

- an employee or Executive Officer of the Company;
- an employee, Executive Officer or Director of a company consolidated within the corporation;
- an employee, Executive Officer or Director of the company's parent company or a company consolidated within this parent company.

Criterion 2

Cross-directorships (see § 10.5.2 of the AFEP/MEDEF Code)

Not to be an executive officer of a company in which the corporation holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive officer of the corporation (currently in office or having held such office within the last five years) holds a directorship.

Criterion 3

Significant business relationships (see § 10.5.3 of the AFEP/MEDEF Code)

Not to be a costumer, supplier, commercial banker, investment banker or consultant:

- that is significant to the corporation or its group;
- or for which the corporation or its group represents a significant portion of its activity.

Criterion 4

Family ties (see § 10.5.4 of the AFEP/MEDEF Code)

Not to be related by close family ties to a corporate officer.

Criterion 5

Statutory auditor (see § 10.5.5 of the AFEP/MEDEF Code)

Has not been a Statutory Auditor of the Company in the last five years.

Criterion 6

Period of office exceeding 12 years (see § 10.5.6 of the AFEP/MEDEF Code)

Not to have been a director of the corporation for more than 12 years. Loss of the status of independent director occurs on the date of the 12th anniversary.

Criterion 7

Non-executive officer status (see § 10.6 of the AFEP/MEDEF Code)

A non-executive officer cannot be considered independent if he or she receives variable compensation in cash or in the form of securities or any compensation linked to the performance of the corporation group.

- Criterion 8

Major shareholder status (see § 10.7 of the AFEP/MEDEF Code)

Directors representing major shareholders in the Company or its parent company may be deemed independant providing that the shareholders do not participate in the control of the Company. However, should the shareholder own more than 10% of the capital or voting rights, the Board, based on a report by the Appointments Committee, must systematically query the Director's independence, taking into account the Company's ownership structure and the existence of a potential conflict of interest.

- Criterion 9

Discretion of the Board of Directors in determining independence (see § 10.4 of the AFEP/MEDEF Code)

The Board of Directors may take the view that a Director who fulfils the aforementioned criteria should not be deemed independent because of his or her particular situation or that of the Company, given the Company's ownership structure or for any other reason. Conversely the Board may consider that a Director although not satisfying the above criteria is however independent.

The situation of the two female Independent Directors was examined with respect to the first criterion: ***To be considered as independent, a director may not be or have been during the previous five years an employee, executive corporate officer or director of the parent company or of a company consolidated by the said parent company.***

Sonia Bonnet-Bernard and Carol Sirou hold a directorship at Crédit Agricole S.A. and are also Chairwoman of the Audit Committee and Chairwoman of the Risk Committee, respectively. The Appointments and Governance Committee and the Board of Directors of Crédit Agricole CIB considered that the combination of these offices did not call into question their status as independent directors. On the contrary, this dual position allows them to better understand the issues they have to address in fulfilling their duties within the Crédit Agricole Group and to ensure continuity in their roles at both Crédit Agricole S.A. and Crédit Agricole CIB.

The situation of the five female Independent Directors was examined with respect to the third criterion: ***To be considered independent, a director is not a customer, supplier, investment banker, corporate banker or major advisor of the company or its group or for which the company or its group represents a significant portion of the business.***

The Appointments and Governance Committee and the Board of Directors noted that the companies in which these five directors hold positions or mandates do not have any business relationship with, or are not considered to be major suppliers of, Crédit Agricole CIB or the Crédit Agricole Group. Furthermore, the existing business relationships between Crédit Agricole CIB and these same companies are not considered to be sufficiently important to generate a situation of economic dependence.

This review was carried out for:

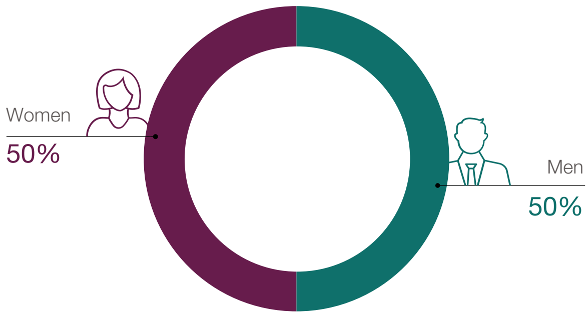
- CVC Capital Partners, RGI Spa and ENCLAR Conseil (Meritxell Maestre Cortadella);
- Ethifinance (Carol Sirou);
- Eurogroup Consulting (Anne-Laure Noat);
- Rémy Cointreau (Sonia Bonnet-Bernard);
- SNCF (Marlène Dolveck).

The Appointments and Governance Committee reiterated that, in all circumstances, if the Board of Directors is called upon to decide on a matter involving a potential conflict of interest, the director(s) in question should refrain from attending the discussions and taking part in the vote. It has noted that the directors are bound by an obligation of confidentiality on all matters raised during meetings of the Board of Directors or its specialised Committees and that it is their responsibility to report any new situation liable to impact the conditions of exercise of their mandate.

1.1.3. Diversity within the Board of Directors and the governing bodies

DIVERSITY WITHIN THE BOARD OF DIRECTORS

- Balanced representation of women and men on the Board of Directors at 31 December 2023



At 31 December 2023, the Board of Directors had seven female members, i.e. 50.00% of the Directors appointed by the General Meeting of Shareholders.

In accordance with Article 435 [2 c] of EU Regulation No. 575/2013 and Article L. 511-99 of the French Monetary and Financial Code, the Appointments and Governance Committee reviewed the objective of a balance between the genders on the Board of Directors and the policy required to achieve it.

It should be noted that, pursuant to Article L. 225-17 of the French Commercial Code, there must be a balanced representation of women and men on the Board of Directors. In accordance with Article L. 225-18-1 of the French Commercial Code, this balanced representation must be established for the Board of Directors of Crédit Agricole CIB at a proportion that cannot be less than 40% of directors for each sex (in accordance with Article L.225-27 par.2 of the French Commercial Code, directors elected by employees are not included in the calculation).

Crédit Agricole CIB has an objective of maintaining this ratio at 40% minimum for each sex. The policy developed involves actively seeking suitable high-quality candidates – both men and women – in order to ensure that this ratio is respected if the members of the Board of Directors change, whilst ensuring complementarity between the Directors' careers, experiences and skills.

Diversity policy within the Board of Directors

In keeping with its Social Responsibility policy, Crédit Agricole CIB aims to promote diversity at all levels, particularly among members of its Board of Directors.

SELECTION OF CANDIDATES FOR DIRECTORSHIPS

Career path, experience, skills

When considering new appointments, the Board of Directors ensures that a sufficient range of qualities and skills, allowing a variety of points of view relevant to the decision-making process, is taken into account. The objective is to prioritise candidates that will maintain complementarity in terms of career paths, experiences and skills within the Board of Directors, in particular by taking into account their knowledge of the banking sector as defined by the guidelines of the European Banking Authority on internal governance (EBA/GL/2021/05 of 02/07/2021) and the European Central Bank Guide of December 2021 on the fit and proper evaluation, or any other text replacing or supplementing them.

Suggestions from the Board of Directors and the Crédit Agricole Group

The search for Director candidates is carried out by gathering suggestions from the members of the Board of Directors and the Crédit Agricole Group.

This approach aims to ensure that the composition of the Board of Directors reflects the shareholding structure of Crédit Agricole CIB, which is 100% owned by Crédit Agricole Group companies, as well as to attract Directors with diversified and complementary profiles in terms of training, skills and professional experience while respecting the minimum legal ratio of 40% of Directors for each gender as well as that of a third of Independent Directors provided for by the AFEP/MEDEF Code.

No age limit

The Appointments and Governance Committee and the Board of Directors have no policy concerning the age limit of the members of the Board of Directors since priority is given to examining their experience and competence.

DIRECTORS ELECTED BY EMPLOYEES

The Board of Directors of Crédit Agricole CIB, in accordance with the provisions of Articles L. 225-27 and seq. of the French Commercial Code and Article 9 of the Company's Articles of Association (see Chapter 8 of this Universal Registration Document), must include at least two directors elected by employees.

These provisions help to enhance diversity within the Board of Directors.

Jérome Karkulowski (management salaried employees representative) has been elected and Abdel-Liacem Louahchi (non-management salaried employees representative) has been re-elected on 29 November 2023 as directors representing employees in accordance with the aforementioned provisions.

NON-VOTING ADVISORY MEMBER OF THE BOARD

The Board of Directors of Crédit Agricole CIB, in accordance with Article 17 of the Company's Articles of Association (see Chapter 8 of this Universal Registration Document) may appoint one or more non-voting advisory members of the board.

Mr Émile Lafortune and Mr Christian Rouchon were appointed as Non-voting advisory members of the board by the Board of Directors, on 4 May 2020 and 7 May 2019 respectively, to assist the development of Crédit Agricole CIB's relations with the Regional Banks, particularly with regard to the oversight of Intermediate-Sized Enterprises (ISEs).

NATIONALITY OF DIRECTORS

At 31 December 2023, fifteen of Crédit Agricole CIB's Directors were French nationals and one Director is an Andorran national, expanding the international scope of the Board of Directors.

DIVERSITY WITHIN THE GOVERNING BODIES

Convinced that diversity is a powerful driver of performance and innovation, Crédit Agricole CIB has for several years now been following a proactive diversity policy so its corporate culture becomes more inclusive.

To identify the main issues and measure the effectiveness of its diversity policy, Crédit Agricole CIB regularly analyses its gender distribution indicators within its management.

At 31 December 2023, women accounted for 43.3% of the global workforce and 32.7% of Crédit Agricole CIB managers. The Executive Committee and the Management Committee were made up of 18.2% and 15.2% women, respectively.

Moreover, in terms of gender diversity within high-level positions of responsibility, the results showed that female members of Circle 1, comprising 29 people, made up 13.8%.

For several years, Crédit Agricole CIB has been rolling out an action plan aimed at increasing the number of women sitting on its management bodies:

- ensuring balanced job recruitment and equal pay, training employees and raising their awareness of the principles of professional equality and non-discrimination, supporting all employees in the promotion of their careers, deploying action plan in favour of parenthood are the main areas of professional gender equality agreement renewed in France in 2021 for a 3 years period;
- Crédit Agricole CIB supports its female talent, both in France and abroad, through a range of leadership development programmes. The programmes' objectives are to provide women with the keys to strengthening their strategic positioning, developing their networks and progressing within management bodies;
- awareness-raising initiatives for employees are also organised throughout the year and as part of Diversity Month. In 2023, it took place in November and made it possible to create exchange spaces on diversity and inclusion through conferences, information materials, events and the participation of Executive Committee Members and role models. This year, parenthood, a major issue of equality and diversity, has been emphasized. Moreover, Crédit Agricole CIB's teams work closely with the "Potentielles" network and the diversity promotion networks created at its various sites throughout the year.

In addition to this action plan and fully in line with the ambition of the Rixain Act, Crédit Agricole CIB is committed to developing its pool of female talent and has set a goal for women to account for 30% of members of its Management Committee by 2025. To achieve this, Crédit Agricole CIB will:

- systematically follow a Fair Process in recruiting for strategic positions with a particular attention paid to female applications with equal skills and experience;
- implement a global review of succession plans for all of the Bank's strategic positions incorporating a particular attention to diversity and internationalisation and an oriented approach on today and tomorrow skills;
- develop an integrated Human Resources approach by adapting all of our processes (recruitment, training, development, talents, promotion, etc) to our commitments and facilitate their management;
- develop the visibility of female and international talents.

In order to accelerate the feminisation and internationalisation of its management bodies (EXCOM and MANCOM, Circle 1), in 2023, Crédit Agricole CIB conducted a review of its strategic talent pool with the aim of enriching its short-, medium- and long-term Circle 1 succession plans. As a result of a special focus on diversity criteria, particularly gender diversity, 31% of potential successors identified are women.

In addition, as the long-standing partners of the Financi'Elles federation, Crédit Agricole S.A. and Crédit Agricole CIB reaffirmed their commitment to introducing ambitious Human Resources policies in the area of gender equality by signing, in November 2021, the Financi'Elles Charter of Commitments on 10-year anniversary of the federation of the banking, finance and insurance networks.

Finally, under the terms of Article L. 225-37-1 of the French Commercial Code, the Board of Directors deliberates annually on Crédit Agricole CIB's policy in the area of equal pay and opportunity and the implementation of the gender equality plan. On this occasion, it reviews the results achieved and particularly the gender equality index. In France, Crédit Agricole CIB's gender equality index was 85 out of 100 in 2023.

1.1.4. Composition of the Executive Management and limitations on the Chief Executive Officer's powers

COMPOSITION OF THE EXECUTIVE MANAGEMENT AT 31 DECEMBER 2023

	Function	Appointment	Reappointment	End of term of office
Xavier MUSCA	Chief Executive Officer	1 September 2022		Indefinite
Jean-François BALAŸ	Deputy Chief Executive Officer	1 January 2021	1 September 2022	Indefinite
Olivier BÉLORGEY	Deputy Chief Executive Officer	1 January 2021	1 September 2022	Indefinite
Pierre GAY	Deputy Chief Executive Officer	1 January 2021	1 September 2022	Indefinite

The Chief Executive Officer and Deputy Chief Executive Officers are also the effective senior corporate executives within the meaning of the French Monetary and Financial code and the regulation which apply to credit institutions.

LIMITATIONS ON THE POWERS OF THE CHIEF EXECUTIVE OFFICER

The limitations on the Chief Executive Officer's powers are specified below, as well as in the presentation of the powers of the Board of Directors in Section 1.2.2. "Powers of the Board of Directors".

The rules of procedure of the Board of Directors stipulate that, in the performance of his duties, the Chief Executive Officer is required to comply with the internal control rules that apply within the Crédit Agricole Group and the strategies defined and decisions, which under the law or according to the aforementioned rules are the responsibility of the Board of Directors or the General Meeting.

The rules of procedure also stipulate that the Chief Executive Officer is required to refer all significant projects concerning Crédit Agricole CIB's strategic decisions, or that may affect or alter its financial structure or scope of activity, to the Board of Directors, requesting instructions. In addition, as mentioned in the "Powers of the Board of Directors" in Section 1.2.2, as a purely internal limitation that is not binding on third parties, the Chief Executive Officer is required to obtain prior authorisation from the Board of Directors or its Chairman before entering into certain types of transactions.

1.2. Functioning, preparation and organisation of the work of the Board of Directors

The performance, preparatory conditions and organisation of the work of the Board of Directors comply with the laws and regulations currently in force, Crédit Agricole CIB's Articles of Association (see Chapter 8 of the present Universal Registration Document), the rules of procedure applicable to the Board of Directors and internal governance directives.

1.2.1. Meetings of the Board of Directors

MEETING FREQUENCY

The Articles of Association (see Chapter 8 of this Universal Registration Document) state that the Board of Directors shall meet as often as the interests of Crédit Agricole CIB require, at the request of the Chairman or at least one third of the Directors. The Rules of Procedure of the Board of Directors (art.1.1) specify that the Board meets at least four times a year.

TELECOMMUNICATION METHODS

The Board's rules of procedure state that, unless otherwise decided by the Chairman, the Board of Directors may hold its meeting using telecommunication methods that allow for the identification of Directors and ensure their effective participation (Article 11 of the Articles of Association – see Chapter 8 of this Universal Registration Document) provided that, as required by law, the proceedings do not concern the preparation and approval of the annual corporate accounts and consolidated financial statements and the management reports.

1.2.2. Powers of the Board of Directors

The powers of the Board of Directors are listed in Article L. 225-35 of the French Commercial Code and are detailed in the Board of Directors' rules of procedure.

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS – ARTICLE 2

"I-a- As part of the mission entrusted to it by law, the Board of Directors:

- *defines the Company's strategies and general policies, in accordance with its corporate interest, taking into account the social and environmental stakes and challenges of its activity;*
- *approves, as necessary and as proposed by the Chief Executive Officer and/or each of the Deputy Chief Executive Officers, the resources, structures and plans allocated for the implementation of the general strategies and policies it has defined;*
- *decides on all matters related to the administration of the Company submitted by the Chairman and the Chief Executive Officer.*

The usual duties of the Board of Directors notably are as follows:

- *it approves the budget;*
- *it approves the annual parent company and consolidated financial statements;*
- *it approves the management report and the corporate governance report;*
- *it decides to convene the Company's General Meetings. It defines their agenda and the wording of resolutions;*
- *it sends or makes available to the shareholders the necessary documents to enable them making an informed decision and to make an informed judgement on the management and operation of the Company's business;*
- *it appoints the Chairman and Chief Executive Officer and at the proposal of the Chief Executive Officer(s) and the Deputy Chief Executive Officer(s), it sets any limitations on the powers of the Chief Executive Officer and the Deputy Chief Executive Officer(s);*
- *it has the authority to dismiss the Chairman, the Chief Executive Officer and the Deputy Chief Executive Officers as provided for by law;*
- *it appoints directors on a provisional basis in the event of a vacancy, due to death or resignation, of one or more directors' seats, as provided for by law;*
- *it determines the remuneration of the Chairman, the Chief Executive Officer, the Deputy Chief Executive Officer(s) and determines the distribution among the directors of the sum allocated by the General Meeting as compensation for their activity;*
- *it deliberates annually on the company's policy governing gender equality and equal pay;*
- *it ensures that a diversity policy, particularly in terms of the representation of women and men in senior management bodies, is implemented;*
- *it deliberates on any related party agreements subject to its prior authorisation, pursuant to Articles L. 225-38 et seq. of the French Commercial Code; each year, it examines the agreements entered into and authorised during previous financial years whose performance has been continued;*
- *it carries out all checks and verifications it considers appropriate;*
- *it decides or authorises the issue of bonds, unless the articles of association reserve this power for the General Meeting or if the General Meeting decides to exercise it; it may delegate, to any person of its choice, the necessary powers to carry out, within one year, the issue of bonds and determine the terms thereof;*
- *it reviews the governance system, periodically assesses its effectiveness and ensures that corrective measures have been taken to remedy any shortcomings; as such, it is regularly informed about risk conditions, compliance issues and the conclusions of audit reports;*
- *it reads the audit charter and approves the audit plan and oversees its performance;*
- *in particular, it ensures compliance with banking regulations regarding internal control and the fight against money laundering and the financing of terrorism;*
- *it is notified by the Executive Directors of any significant risks, risk management policies and changes made thereto;*

- *it oversees the publication and communication process and the quality and reliability of the information intended to be published and communicated by the Company;*
- *it approves and regularly reviews the risk appetite framework, sector policies, strategies and policies governing decision-making, management, oversight and reduction of the risks to which the Company is or could be exposed;*
- *it approves the business continuity management system aimed at ensuring that the Company can continue to operating, in particular maintaining IT services, on an ongoing basis and to limit its losses in the event of serious disruption;*
- *it approves the IT strategy and information system security policy in order to comply with the business strategy and to ensure that the resources allocated to the management of IT operations, information system security and business continuity are sufficient for the Company to carry out its duties;*
- *it regularly adopts and reviews the general principles of the remuneration policy and oversees its implementation, particularly with regard to staff whose activities have a significant impact on the risk profile of the Company or of the Crédit Agricole CIB group, as defined by applicable French and European regulations (hereinafter "identified staff");*
- *it decides on the main principles of variable remuneration for the Company's employees (composition, base, form and date of payment) and on the amount of the budget set aside for this remuneration, after examination by the Compensation Committee;*
- *it determines the guidelines and controls the implementation by the Executive Directors of the supervisory mechanisms in order to guarantee the effective and prudent management of the Company's activities, in particular the separation of functions within the organisation and the prevention of conflicts of interest;*
- *it is informed beforehand when the heads of the compliance, risk management and internal audit functions are removed from their duties. Where applicable, it gives prior approval before the Head of the Risk Management function is removed from his duties, after consulting the Appointments and Governance Committee;*
- *it ensures the existence and implementation of a code of conduct, or similar and effective policies aimed in particular at detecting, managing and mitigating actual and potential conflicts of interest and preventing and detecting acts of corruption and influence peddling;*

[…]

I-b- In addition to the above powers and those generally determined by law, the Board of Directors, at the proposal of the Chief Executive Officer and/or each of the Deputy Chief Executive Officers, decides:

1. on any external growth and downsizing operation through the:
- *creation, acquisition or disposal of any subsidiaries or equity investments (excluding entities created for one or more credit, specific risk-taking or carry transactions),*
- *opening or closure of any branch abroad,*
- *acquisition, disposal, exchange or integration of new businesses or parts of businesses,*

likely to lead to an investment or disposal amounting to more than €50 million;

2. and the provision of collateral to guarantee the Company's commitments (except for financial market transactions), when the guarantee concerns Company assets with a value of more than €50 million. However, the Chief Executive Officer and/or each of the Deputy Chief Executive Officers are authorised to provide unlimited collateral to central banks in the European Economic Area and/or the G10 alone, in exchange for very short-term advances, in accordance with cash or securities settlement-delivery mechanisms.

In addition, at the proposal of the Chief Executive Officer and/or the Deputy Chief Executive Officers, the Board of Directors authorises the purchase or sale of real estate made in the name or on behalf of the Company, when the amounts of these transactions exceed €30 million."

The Board of Directors also has specific powers regarding other legal and regulatory provisions applicable to credit institutions and companies whose securities are traded in a regulated market in terms of corporate governance, compliance, risk management and internal control.

1.2.3. Referral procedure, information procedure and terms of the Board's intervention – Conflicts of Interest

CONDITIONS OF INTERVENTION OF AND THE MEANS OF REFERRAL TO THE BOARD OF DIRECTORS

In order to enable the Secretary of the Board of Directors to prepare for Board meetings, an internal Crédit Agricole CIB governance document sets out the conditions of intervention and the means of referral to the Board of Directors. This document notably stipulates the conditions under which the head office or branch departments must inform the Secretary, within the scope of the schedule for the Board of Directors' meetings, of the points which are liable to be added to the draft agenda for each meeting as well as the information documents. The draft agenda is then sent for approval to the Chairman of the Board of Directors.

CORPORATE GOVERNANCE PRINCIPLES AND BEST PRACTICES

The Board of Directors' rules of procedure specify the roles of the Board of Directors' Committees. They also contain a reminder of the principles and best practices for corporate governance that help to raise the quality of the work undertaken by the Board of Directors, including the provision of the information necessary for the Directors to usefully contribute to the issues entered into the agenda, the obligations of confidentiality and the obligations and recommendations regarding privileged information and conflicts of interest, the details of which are restated in Section 1.3.3 "Rights and duties of directors, non-voting advisory members of the Board and members of Executive Management".

PROCEDURE ON RELATED-PARTY AGREEMENTS

The Board of Directors, in accordance with Articles L. 225-38 et seq. of the French Commercial Code, authorises related-party agreements prior to their signature. The Directors and Managers directly or indirectly involved in the agreement do not take part in the deliberations and the voting.

Information relating to the agreements for the 2023 financial year (new agreements, concluded and authorised, as well as those entered into previously which continued in 2023) is sent to the Statutory Auditors, who will present their special report to the General Meeting of Shareholders (see Section 3 of Chapter 7 "Parent-company financial statements at 31 December 2023").

At its meeting held on 6 February 2024, the Board reviewed the related-party agreements previously entered into and approved and still in force in 2023, in accordance with the provisions of Article L. 225-40-1 of the French Commercial Code.

1.2.4. Activities of the Board of Directors in 2023

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors met seven times during the 2023 financial year.

PROCEDURES FOR MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors met either in person or remotely via telecommunication methods in 2023.

PRIOR TRANSMISSION OF DOCUMENTS TO THE BOARD OF DIRECTORS

For almost all the items on the agenda of Board meetings, supporting documentation is broadcast several days before the meeting.

PRINCIPAL MATTERS AND CASES EXAMINED DURING BOARD MEETINGS, FOLLOWING ANY NECESSARY INITIAL ANALYSIS BY THE SPECIALISED COMMITTEES, WERE AS FOLLOWS

◆ Concerning business and strategy

The Board of Directors was given a quarterly presentation on Crédit Agricole CIB's commercial activity. It approved the budget and reviewed the strategic guidelines and their impact on employment. The Board of Directors also heard a presentation on the amplification of Crédit Agricole CIB's commitments in favour of the climate and energy transition, including in particular a presentation on multiple Net Zero commitments and trajectories in various sectors (Oil and Gas, Electricity, Automotive, Cement, Aviation, Shipping, Steel).

In addition, a seminar on the Bank's activity and strategy was organized in September 2023.

◆ Concerning the financial statements, the financial position and the relations with the statutory auditors

In accordance with regulatory requirements, the Board of Directors approved the corporate and consolidated financial statements for the 2022 financial year and examined the half-yearly and quarterly results during 2023. The Chairwoman of the Audit Committee presented a report on the work of the Audit Committee each time the Board of Directors examined these financial statements and the Statutory Auditors informed the Board of their observations.

◆ Concerning risks and internal control

After hearing the Risk Committee, the Board of Directors examined the following on a quarterly basis:

- the position of Crédit Agricole CIB with regard to the various risks to which it is exposed (notably market risks, counterparty risks, operational risks, cost of risk and provisions, credit risk, broken down by country and by segment, in particular tracking exposures to Russia) and with regard to the previously approved risk appetite;
- the position of Crédit Agricole CIB in terms of compliance with regular updates on the implementation of the OFAC remediation plan following the commitments given to US authorities;
- the position regarding liquidity.

Half-yearly updates were also presented to the Board of Directors:

- on periodic control assignments (General Inspection Department);
- on the report on internal control (RCI - Annual report and half year information).

The following were also presented to the Board of Directors:

- the annual report by the Chief Compliance Officer on Investment Services (RCSI);
- the communications from the supervisory authorities, the answers provided and the actions implemented to address the observations made;
- an update on the situation in Russia.

The Board of Directors also approved:

- the 2024 audit plan and the audit charter;
- updates to the risk appetite and the related statement;
- the liquidity risk management and control system and the procedures, systems and tools for measuring this risk as well as the emergency liquidity plan;
- the list of major risks and the stress tests programme;
- on a quarterly basis, Crédit Agricole CIB's risk strategies (risk frameworks) approved by the Strategy and Portfolio Committee (CSP) or the Group Risk Committee (CRG) including multiple cross-disciplinary and sector ESG policies (Climate and Environment, Transport, Real Estate and Automotive, in particular);
- a review of the criteria and thresholds used to define significant incidents detected by the internal control procedures which remain unchanged compared to last year;
- the statement on the adequacy of the risk control mechanism and the quality of the information given to the Board;
- the ICAAP and ILAAP statements;
- the statement on the fight against modern slavery, pursuant to the Modern Slavery Act (UK and Australia);
- internal control reports (corporate and consolidated) dedicated to the fight against money laundering and the financing of terrorism;
- on IT topics: IT budget, strategy, security and business continuity policy.

◆ Concerning governance, compensation and human resources

After hearing the Appointments and Governance Committee, the Board of Directors then:

- reviewed its composition as well as that of the Special Committees;
- put forward the appointments of new members of the Board of Directors and the renewal of various others at the General Meeting;
- reviewed the qualification of Independent Directors within the scope of the criteria in the AFEP/MEDEF Code;
- carried out the collective and individual self-assessment of the Board of Directors and the self-assessment of the independence of five directors;
- reviewed the independence, potential conflicts of interest, reputation and good repute of the directors;
- acknowledged the policy adopted by the Appointments and Governance Committee in terms of the balanced representation of men and women within its membership;
- approved the update to the diversity policy for the Board of Directors.

After hearing the Compensation Committee, the Board of Directors then:

- approved the budget for the variable compensation of the employees;
- approved Crédit Agricole CIB's compensation policy;
- examined the report required by the French Prudential Supervision Authority presenting information regarding Crédit Agricole CIB's compensation policy and practices;
- acknowledged the social audit and the international workforce statistics;
- reviewed the methodology for determining identified staff;
- discussed Crédit Agricole CIB's policies on gender equality and equal pay.

The Board of Directors approved the terms of the Corporate Governance report, the terms of the management report, approved the agenda and the resolutions of the Annual Ordinary General Meeting of 3 May 2023 and the terms of its report to this General Meeting.

It regularly reviewed the list of people authorised for bond issues and approved the arrangements for the training of the Directors elected by employees.

◆ Concerning related-party agreements

In accordance with the provisions of Article L. 225-38 of the French Commercial Code, the Board of Directors authorised the following related-party agreements:

- letters of guarantee for new directors;
- amendment No. 3 to the business transfer agreement relating to the transfer of Banking Services Division activities from Crédit Agricole S.A. to Crédit Agricole CIB, in order to negotiate and determine the terms and conditions of the change in the transitional period and the deadline to take into account the delay in the migration schedule;
- a group VAT agreement between Crédit Agricole S.A. and Crédit Agricole CIB.

Detailed information on related party agreements is presented by the Statutory Auditors in their special report, provided in Chapter 8 of this Universal Registration Document.

In accordance with the provisions of Article L. 225-40-1 of the French Commercial Code, the Board of Directors re-examined the agreements entered into and authorised during previous financial years that continued to be executed in the course of the financial year 2023.

◆ Concerning the organisation of at least one meeting each year not attended by the executive corporate officers

In accordance with § 12.3 of the AFEP/MEDEF Code, a meeting of the members of the Board of Directors was held without executive corporate officers on 3 May 2023. In particular, the members of the Board of Directors discussed the operation of the Board of Directors and the topics they would like to explore in greater depth during Board meetings.

1.2.5. Assessment of the expertise and functioning of the Board of Directors

ASSESSMENT OF THE COLLECTIVE AND INDIVIDUAL EXPERTISE OF THE DIRECTORS - ARTICLE L.511-98 OF THE FRENCH MONETARY AND FINANCIAL CODE

The Appointments and Governance Committee carried out an assessment of the collective and individual expertise of Directors based on a self-assessment undertaken in the fourth quarter of 2023.

Areas of expertise

The directors were asked to assess themselves in sixteen areas of expertise: financial markets, legal and regulatory requirements, banking activities, strategic planning, risk management, internal audit, financial accounting, bank governance, prevention of money laundering and the financing of terrorism, interpretation of financial information, information technology and security and IT risk management, corporate management, experience abroad, corporate social responsibility, climate and environmental risks, human resources/compensation.

The conclusions of this assessment, which were presented to the Board of Directors, found that all areas of expertise, both banking and non-banking, are covered.

The Directors thus self-assessed their contribution to the collective expertise of the Board of Directors:

- thirteen directors consider their contribution as significant regarding legal and regulatory requirements, banking activities, prevention of money laundering and the financing of terrorism, interpretation of financial information, business management;
- twelve directors consider it significant in terms of financial markets, risk management and governance;
- ten directors consider their contribution as significant regarding corporate social responsibility and HR/compensation.

Conflicts of interest

The directors have not declared any situation involving proven conflicts of interest.

Reputation

The directors have not declared the existence of any pending proceedings or judicial, administrative or disciplinary rulings liable to jeopardise their reputation.

Availability

The directors consider that they arrive well prepared for Board meetings.

Independence

In addition, the five independent directors completed the questionnaire asking them to assess themselves on the basis of the seven independence criteria of the AFEP/MEDEF Code.

The directors were also invited to vote on various topics, such as their understanding of Crédit Agricole CIB's business lines and challenges, or their training goals.

ASSESSMENT OF THE PERFORMANCE OF THE BOARD OF DIRECTORS - § 11 OF THE AFEP/MEDEF CODE

Assessment conducted during the fourth quarter of 2023

A self-assessment of the performance of the Board of Directors was conducted during the fourth quarter of 2023, based on a collective questionnaire consisting of 72 questions accessible electronically by Board members. This assessment asks the members of the Board of Directors to give their opinion on the Board of Directors, its operation, its composition and the quality of relationships within it, the work of the various committees of the Board of Directors and the training and information provided for the Directors. The self-assessment was administered by the Appointments and Governance Committee and presented to the Board.

Results

The results obtained in 2023 were satisfactory and stable overall compared to those obtained in 2022.

The quality of relations within the Board of Directors and with the Executive Management and the various stakeholders of Crédit Agricole CIB, their availability and the quality of the documents transmitted, are appreciated.

This self-assessment also represented an opportunity for directors to share their expectations and proposals on improving the performance of the Board of Directors and the quality of the discussions.

Their feedback uncovered some areas calling for improvement. Accordingly, the Appointments and Governance Committee and the Board of Directors noted:

- the progress made on the timeliness of documents;
- a shared interest in spending more time on strategic issues.

1.2.6. Training of directors

TRAINING OF NEW DIRECTORS

Provision of a welcome booklet

A procedure established in 2013 to welcome new Directors consists of a welcome booklet, which includes the main documents covering the governance and social bodies of Crédit Agricole CIB, its strategy and its budget, the Universal Registration Document and the activity report of the previous year.

Meetings

When a new Director first joins the Board, meetings can also be organised between the new Director and Executive Management members, the Head of Risk Management, the Chief Financial Officer, the Chief Compliance Officer, the Head of the General Inspection function and the Head of Human Resources.

Crédit Agricole Group training

In addition, newly appointed Directors benefit from training organised by the Crédit Agricole Group on governance, regulations, risks and compliance issues.

TRAINING PROVIDED TO ALL DIRECTORS

In addition to the programme established for new Directors, training measures for all Directors continued during the 2023 financial year.

Seminar

A directors' seminar, held abroad in September 2023, provided an opportunity to meet with customers and better understand their expectations of Crédit Agricole CIB, to expand their knowledge of Crédit Agricole CIB's organisation and activities, and to discuss Crédit Agricole CIB's strategy.

Technical training

Two technical training sessions were held:

- the first devoted to the presentation of Crédit Agricole CIB's organisation and the enhancement of processes for monitoring ESG or energy transition issues and a presentation of market activities;
- the second focused on compliance (expectations of US regulators and the AMF, risks and international sanctions), decarbonisation action plans and Crédit Agricole CIB's Net Zero commitments.

E-learning

Directors also benefit from permanent access to an e-learning programme offering various courses on the theme of compliance.

Individualised training path

If deemed appropriate, Directors can receive individual training, especially on taking up new functions on the Board of Directors or its Committees.

TRAINING FOR DIRECTORS ELECTED BY EMPLOYEES

In accordance with the provisions of Articles L. 225-30-2 and R. 225-34-3 of the French Commercial Code, the Board of Directors determined, after consulting the directors elected by the employees in question, their required training courses for 2023. Additional training was offered in order to teach and expand the knowledge and techniques necessary to carry out their duties.

1.2.7. Specialised Committees of the Board of Directors at 31 December 2023

BOARD OF DIRECTORS

AUDIT COMMITTEE
Sonia BONNET-BERNARD
Chairwoman
Marlène DOLVECK
Guy GUILAUMÉ
Meritxell MAESTRE CORTADELLA
Anne-Laure NOAT
Emmanuel VEY

RISK COMMITTEE
Anne-Laure NOAT
Chairwoman
Sonia BONNET-BERNARD
Paul CARITE
Meritxell MAESTRE CORTADELLA
Carol SIROU
Odet TRIQUET

APPOINTMENTS AND GOVERNANCE COMMITTEE
Meritxell MAESTRE CORTADELLA
Chairwoman
Sonia BONNET-BERNARD
Luc JEANNEAU

COMPENSATION COMMITTEE
Anne-Laure NOAT
Chairwoman
Marlène DOLVECK
Luc JEANNEAU
Abdel-Liacem LOUAHCHI

There are four specialised Committees of the Board of Directors: Audit Committee, Risk Committee, Appointments and Governance Committee and Compensation Committee.

The members of these Committees are appointed by the Board of Directors in accordance with its rules of procedure.

The specialised Committees:

- assist the Board of Directors in its duties and in preparing for discussions. They may, for example, conduct studies or submit opinions or recommendations to the Board;
- interact where appropriate to ensure consistency in their work. Each Committee reports on its work to the Board of Directors so that members can be fully informed when participating in discussions.
- carry out the duties that are assigned by the law and the regulations in force, as well as by the rules of procedure of the Board of Directors;
- meet periodically and as necessary, in order to review any subject within their remit;
- in carrying out their duties, may request access to all the information they deem relevant;

- base their work mainly on the summary information provided by the departments and on the interviews or meetings that they hold with Company people deemed useful for the performance of their duties; if they so wish, these interviews or meetings can be held without the presence of the Executive Management;
- after informing the Chairman of the Board of Directors, and in order to report to the Board of Directors, they can have any studies required to assist the Board's deliberations drawn up at Crédit Agricole CIB's costs, after verifying the objectivity of the expert selected.

AUDIT COMMITTEE

6 Number of directors

67% Independent Board members' rate

67% Representation of women

7 Number of meetings in 2023

92% Average attendance rate in 2023

RISK COMMITTEE

6 Number of directors

67% of independent directors

67% Representation of women

7 Number of meetings in 2023

86% Average attendance rate in 2023

APPOINTMENTS AND COMPENSATION COMMITTEE

3 Number of directors

67% of independent directors

67% Representation of women

5 Number of meetings in 2023

100% Average attendance rate in 2023

COMPENSATION COMMITTEE

4 Number of directors

67% of independent directors[1]

50% Representation of women

2 Number of meetings in 2023

100% Average attendance rate in 2023

[1] *Calculation excluding employee directors in accordance with the AFEP/MEDEF Code.*

AUDIT COMMITTEE

Composition of the Audit Committee at 31 December 2023

The rules of procedure of the Board of Directors stipulate that the Audit Committee is composed of at least four Directors. In accordance with the AFEP/MEDEF Code (§ 17.1), Independent Directors account for two-thirds of members.

MEMBERS OF THE AUDIT COMMITTEE AT 31 DECEMBER 2023

Sonia BONNET-BERNARD	Independent Director Chairwoman	Appointed a member of the Audit Committee by the Board of Directors at its meeting held on 3 May 2022. Appointed Chairwoman of the Audit Committee by the Board of Directors at its meeting held on 3 May 2023
Marlène DOLVECK	Independent Director	Appointed a member of the Audit Committee by the Board of Directors at its meeting held on 8 December 2023
Guy GUILAUMÉ	Director	Appointed a member of the Audit Committee by the Board of Directors at its meeting held on 3 May 2021
Meritxell MAESTRE CORTADELLA	Independent Director	Appointed a member of the Audit Committee by the Board of Directors at its meeting held on 4 May 2020
Anne-Laure NOAT	Independent Director	Appointed a member of the Audit Committee by the Board of Directors at its meeting held on 30 April 2015
Emmanuel VEY	Director	Appointed a member of the Audit Committee by the Board of Directors at its meeting held on 9 December 2022

Short biographies of members of the Committee are available in Section 1.3 "Other information about the corporate officers" of this report.

Duties of the Audit Committee

The Committee meets as and when necessary and at least quarterly.

It liaises with the Statutory Auditors as often as required and for the preparation of the interim and annual financial statements.

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS - ARTICLE 3.2.4

"The Committee's primary purpose is to oversee management issues related to the development and review of the corporate and consolidated financial statements, the effectiveness of the internal control and risk management systems with respect to the procedures in the preparation and treatment of accounting and financial information, overseeing the work of the Statutory Auditors on these issues and their independence.

Without prejudice to the powers of the Board of Directors, its powers are in particular:

To oversee the process of compiling financial information

It oversees the process for preparing the financial information and if necessary, makes recommendations to guarantee the integrity of this information. It checks the relevance and performance of the accounting principles adopted by the Company to prepare the parent company's financial statements and the consolidated financial statements.

To review the corporate and consolidated financial statements

It examines the draft corporate and consolidated annual, half-yearly and quarterly financial statements, before submission to the Board of Directors.

To review and oversee the effectiveness of the internal control and risk management systems relating to financial and accounting information

It examines and oversees, without its independence being impaired, the effectiveness of the internal control and risk management systems, regarding the procedures related to the preparation and treatment of accounting and financial information. In this, it makes an assessment of the quality of the internal control, proposes complementary actions if and as necessary, oversees the work of the teams who are responsible for internal control, including internal audit.

To oversee the independence and objectivity of the Statutory Auditors - Approves the provision by the Statutory Auditors of the services mentioned in Article L. 822-11-2 of the French Commercial Code

In accordance with the legal provisions and regulations applicable,

- *it conducts the selection procedure when appointing the Statutory Auditors and makes a recommendation to the Board of Directors on their appointment or reappointment,*
- *it ensures compliance by the Statutory Auditors on the conditions of independence defined by the French Commercial Code and tracks all related issues. Where applicable, in consultation with the Statutory Auditors, it determines measures to preserve their independence,*
- *it approves the provision by the Statutory Auditors of the services mentioned in Article L. 822-11-2 of the French Commercial Code.*

To oversee the fulfilment of the Statutory Auditors' duties

- *it oversees how the Statutory Auditors perform their duties and in particular examines their work programme, findings and recommendations. It receives their additional annual report on the results of the statutory audit of the financial statements,*
- *it takes account of the findings and conclusions of the Statutory Auditors Audit Council (Haut conseil du Commissariat aux Comptes) if controls are carried out in accordance with the provisions of the French Commercial Code.*

The Committee can make any recommendation concerning its duties and powers.

It may review all questions particularly of an accounting or financial nature that are submitted to it by the Chairman of the Board of Directors or Chief Executive Officer.

It regularly reports to the Board of Directors on the performance of its duties and the results of the audit of the financial statements, the way in which such mission contributed to the integrity of the financial information and the role it played in such process.

It immediately informs the Board of Directors of any difficulties encountered."

◆ Activities of the Audit Committee during 2023

Number of meetings

The Audit Committee met seven times during 2023, including three joint sessions with the Risk Committee.

Preparatory meetings

Each Committee meeting was systematically preceded by conference calls with the Finance Department and the Risk Department, as well as a conference call with the Statutory Auditors. Certain situations relating to the financial statements or the duties of the Statutory Auditors were able to be clarified during telephone discussions. A meeting was also held with the Head of General Inspection on the preparation of the audit plan.

During these meetings, the Committee examined [certain topics were presented at the joint meetings of the Audit Committee and the Risk Committee]:

- the quarterly, half-yearly and yearly corporate and consolidated financial statements;
- the work of the Statutory Auditors as well as the duties falling "outside the scope of the financial audit" they performed;
- the 2024 budget, including the IT budget;
- the 2024 budget for the Wealth Management business line;
- the information published in the Universal Registration Document;
- the documents and information expected by the Committee in accordance with Article 241 of the Decree of 3 November 2014 on internal control.

Reports

Each of these meetings was reported to the Board of Directors.

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◆ Attendance rate of Audit Committee members

The attendance rate of Audit Committee members was 92% in 2023.

	Number of Audit Committee meetings that each member should have attended in 2023	Number of Audit Committee meetings attended by each member in 2023	Attendance rate
Sonia BONNET-BERNARD	7	7	100%
Guy GUILAUMÉ	7	7	100%
Meritxell MAESTRE CORTADELLA	7	7	100%
Anne-Laure NOAT	7	7	100%
Catherine POURRE	3	2	67%
Emmanuel VEY	7	6	86%

RISK COMMITTEE

Composition of the Risk Committee at 31 December 2023

The rules of procedure of the Board of Directors stipulate that the Risk Committee must be composed of at least four Directors.

MEMBERS OF THE RISK COMMITTEE AT 31 DECEMBER 2023

Anne-Laure NOAT	Independent Director Chairwoman of the Committee	Appointed a member of the Committee by the Board of Directors at its meeting held on 13 October 2015 Appointed Chairwoman of the Committee by the Board of Directors at its meeting held on 4 May 2020
Sonia BONNET-BERNARD	Independent Director	Appointed a member of the Committee by the Board of Directors at its meeting held on 8 December 2023
Paul CARITE	Director	Appointed a member of the Committee by the Board of Directors at its meeting held on 7 May 2019
Meritxell MAESTRE CORTADELLA	Independent Director	Appointed a member of the Committee by the Board of Directors at its meeting held on 4 May 2020
Carol SIROU	Independent Director	Appointed a member of the Committee by the Board of Directors at its meeting held on 3 May 2023
Odet TRIQUET	Director	Appointed a member of the Committee by the Board of Directors at its meeting held on 3 May 2021

Short biographies of members of the Committee are available in Section 1.3 "Other information about the corporate officers" of this report.

Duties of the Risk Committee

The Risk Committee meets whenever necessary and at least once a quarter. It is fully informed about Crédit Agricole CIB's risks. If necessary, it may call on the services of the Head of Risk Management or external experts.

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS - ARTICLE 3.2.3

"The main duties of the Risk Committee are as follows:

To advise the Board of Directors on the overall strategy of the Company and on risk appetite and to assist it with the implementation of the strategy by the Executive Managers and the Head of Risk Management:

- *to examine and review regularly the strategies and policies governing decision-making, management, oversight and reduction of the risks to which the Company is or could be exposed;*
- *to review the way in which climate and environmental risks are integrated into the overall operational strategy, into risk strategies and policies, into the risk management and supervision system and into the Company's risk appetite and to make any recommendations to the Board of Directors;*
- *to review and oversee the risk management policy, procedures and systems in force within the Company and its consolidated group;*
- *to assess the consistency of measurement, risk supervision and management systems and propose related actions, as necessary;*
- *to monitor any incident, whether fraudulent or not, revealed by the internal control procedures, according to the criteria and significance thresholds set by the Board of Directors or which presents a major risk to the Bank's reputation. The Chairman of the Committee must be informed of any incident, whether fraudulent or not, revealed by the internal control procedures, which exceeds an amount set by the Board of Directors or which presents a major risk to the Bank's reputation;*

To assist the Board of Directors with the IT strategy and information systems security policy in order to comply with the business strategy and to ensure that the resources allocated to the management of IT operations, information system security and business continuity are sufficient for the Company to carry out its duties;

To consider whether the prices of the products and services offered to clients are in line with the risk strategy and, if this is not the case, to submit an action plan to the Board of Directors to remedy the situation;

Without prejudice to the responsibilities of the Compensation Committee, to examine whether the incentives offered by the Company's compensation policy and practices are compatible with its situation with regard to the risks it is exposed to, its capital, its liquidity and the probability and timing of the implementation of the benefits expected;

To review the effectiveness of internal control systems, excluding the financial reporting and accounting information process covered by the Audit Committee:

- *it examines the internal control system implemented within the Company and its consolidated group,*
- *it assesses the quality of internal control and proposes, as necessary, complementary actions,*
- *it oversees the work of the Statutory Auditors on the Company's financial statements and of the internal audit teams;*

To examine issues relating to liquidity risk and solvency;

To examine issues relating to disputes and provisions;

To review the audit plan and the audit charter before they are presented to the Board of Directors."

Activities of the Risk Committee in 2023

Number of meetings

The Risk Committee met seven times during 2023, including three joint sessions with the Audit Committee.

Preparatory meetings

- a preparatory meeting before each Risk Committee meeting with the Head of Risk & Permanent Control and the introduction of a mid-quarter review;
- a meeting with the General Inspection Department on the preparation of the 2024 audit plan;
- a meeting with Crédit Agricole CIB's Executive Management team.

During these meetings, the Committee examined [certain topics were presented at the joint meetings of the Audit Committee and the Risk Committee]:

- the risk position (quarterly review);
- liquidity (quarterly review);
- the liquidity emergency plan and the liquidity risk management and management system;
- Crédit Agricole CIB's risk appetite;
- risk strategies (risk frameworks) (quarterly review);
- compliance reviews, including implementation of the OFAC remediation plan (quarterly review);
- the periodic control assignments, including the 2024 audit plan;
- internal control reports (half-yearly review);
- a summary of the work on the harmonised ICAAP and ILAAP and related declarations;
- the summary risk appetite statement;
- the criteria and thresholds applicable to significant incidents;
- the risk appetite statement;
- the 2023 stress-tests programme and the list of major risks;
- the statement on the suitability of the risk management mechanisms implemented;
- the IT strategy;
- the security and business continuity policy;
- the documents and information expected by the Committee in accordance with Article 241 of the Decree of 3 November 2014 on internal control;
- the audit charter;
- the main legal disputes;
- internal control reports (corporate and consolidated) dedicated to the fight against money laundering and the financing of terrorism.

In addition, the following presentations were made to the Committee:

- the impacts of the Russian-Ukraine war;
- an update on sector concentration risk;
- presentation of the independence of the audit function;
- presentation of governance on ESG issues and the CERES Committee (Committee responsible for assessing transactions presenting an environmental or social risk).

Reports

Each of these meetings was reported to the Board of Directors.

Attendance rate of the members comprising the Risk Committee

The attendance rate of the Risk Committee members was 86% in 2023.

	Number of Risk Committee meetings that each member should have attended in 2023	Number of Risk Committee meetings attended by each member in 2023	Attendance
Paul CARITE	7	6	86%
Françoise GRI	3	2	67%
Meritxell MAESTRE CORTADELLA	7	7	100%
Anne-Laure NOAT	7	7	100%
Catherine POURRE	3	2	67%
Carol SIROU	4	4	100%
Odet TRIQUET	7	6	86%

APPOINTMENTS AND GOVERNANCE COMMITTEE

Composition of the Appointments and Governance Committee at 31 December 2023

The Appointments and Governance Committee has a majority of Independent Directors (at least two-thirds) in accordance with the provisions of the AFEP/MEDEF Code (§ 18.1).

The Chief Executive Officer is invited to meetings of this Committee.

MEMBERS OF THE APPOINTMENTS AND GOVERNANCE COMMITTEE AT 31 DECEMBER 2023

Meritxell MAESTRE CORTADELLA	Independent Director Chairwoman of the Committee	Appointed a member of the Committee by the Board of Directors at its meeting held on 4 May 2020 Appointed Chairwoman of the Committee by the Board of Directors at its meeting held on 3 May 2022
Sonia BONNET-BERNARD	Independent Director	Appointed a member of the Committee by the Board of Directors at its meeting held on 8 December 2023
Luc JEANNEAU	Director	Appointed a member of the Committee by the Board of Directors at its meeting held on 4 May 2018

Short biographies of members of the Committee are available in Section 1.3 "Other information about the corporate officers" of this report.

Duties of the Appointments and Governance Committee

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS - ARTICLE 3.2.1

"The main duties of the Appointments and Governance Committee are:

- *to assist the Board of Directors on matters relating to corporate governance in order to maintain a high level of requirements in this area;*
- *to identify and recommend suitable candidates, as Directors or Non-voting advisory members of the board, to the Board of Directors;*
- *to recommend to the Board of Directors candidates for the position of Chairman of the Board;*
- *to annually assess the balance, diversity of knowledge, skills and experiences that the Directors possess individually and collectively, as well as their integrity and any conflicts of interest, at least once a year and when recommendations are made to the Board for the appointment or reappointment of Directors;*
- *to define the qualifications needed to serve on the Board of Directors and estimate how much time should be set aside for the associated duties;*
- *to assist the Board of Directors with the strategies and objectives applicable to Directors;*
- *to set a diversity target for the Board of Directors and develop a diversity policy. This objective, the policy and the resources implemented are made public;*
- *to assist the Board of Directors in determining a selection process ensuring that at least one person of each gender is considered for the position of Deputy Chief Executive Officer;*
- *to assess the performance, structure, size, composition and effectiveness of the Board of Directors at least once a year and to submit any relevant recommendations to the Board of Directors. This assessment is made public;*
- *to periodically review and make recommendations regarding the policies of the Board of Directors for selection and appointment of Executive Directors of the Company and other members of the Executive Management, as well as the Head of the Risk Management function;*
- *to ensure that the Board of Directors is not dominated by one person or by a small group of people in conditions that could be detrimental to the Bank's interests;*
- *to conduct a prior review of the proposed appointment made by the Executive Management, the Head of Compliance, the Head of the Risk Management function and the Head of the Internal Audit function, which is then forwarded to the Board of Directors for its opinion;*
- *to be notified in advance when the Head of the Compliance Function, the Head of the Risk Management Function or the Head of the Internal Audit function is removed from office, it being specified that the Head of the Risk Management Function may not be removed from office without the prior consent of the Board."*

◆ Activities of the Appointments and Governance Committee during 2023

Number of meetings

The Appointments and Governance Committee met five times in 2023.

Preparatory meetings

Several preparatory meetings were held with the Chairwoman of the Committee and the Secretary's Office of the Board of Directors.

At its meetings, the Committee notably:

- identified and recommended to the Board of Directors suitable candidates for directorships and examined reappointments for the position of director ahead of the General Meeting and for the position of non-voting advisory member of the Board;
- examined the composition of the Board of Directors' Special Committees;
- determined the objective and policy in terms of balanced representation of men and women on the Board of Directors as well as diversity;
- reviewed the qualifications of Independent Directors and changes in the composition of the Board of Directors and its Committees;
- organised the self-assessment of the Board of Directors' performance for 2023 and the self-assessment of the individual and collective expertise of Directors, conflicts of interest and reputation. It analysed and summarised the results of the self-assessments in order to determine the actions to be taken;
- conducted an annual assessment of the time spent by each Director on the performance of their duties;
- checked, in accordance with Article L. 511-101 of the French Monetary and Financial Code, that the Board of Directors was not dominated by one person or by a group of people in conditions that could be detrimental to Crédit Agricole CIB's interests;
- reviewed the governance section of the draft corporate governance report;
- examined the allocation of a guarantee letter subject to the related-party agreement scheme in favour of new directors;
- examined the documents and information expected by the Committee in accordance with Article 241 of the Decree of 3 November 2014 on internal control.

Reports

Each of these meetings was reported to the Board of Directors.

◆ Attendance rate of the members of the Appointments and Governance Committee

The attendance rate of the members of the Appointments and Governance Committee was 100% in 2023.

	Number of meetings of the Appointments and Governance Committee that each member should have attended in 2023	Number of Appointments and Governance Committee meetings attended by each member in 2023	Attendance rate
Luc JEANNEAU	5	5	100%
Meritxell MAESTRE CORTADELLA	5	5	100%
Catherine POURRE	3	3	100%

COMPENSATION COMMITTEE

Composition of the Compensation Committee at 31 December 2023

The rules of procedure of the Board of Directors stipulate that the Compensation Committee is composed of at least four Directors and includes a Director representing the employees and one Director in common with the Risk Committee.

The Compensation Committee, chaired by an Independent Director, has a total of four Directors, including two Independent Directors, a Director representing employees and a Director of the Crédit Agricole Group. The Committee has a majority of Independent Directors in accordance with the provisions of the AFEP/MEDEF Code (§ 16.1 and 19.1).

The Compensation Committee's duties fall within the framework of the Crédit Agricole Group's compensation policy. With a view to harmonising Crédit Agricole S.A. and its subsidiaries compensation policies, the Group Human Resources Director[1] or his or her representative, as well as the Chairman of the Board of Directors of Crédit Agricole CIB and the Chief Executive Officer of Crédit Agricole S.A., are invited to the meetings of the Compensation Committee.

MEMBERS OF THE COMPENSATION COMMITTEE AT 31 DECEMBER 2023

Anne-Laure NOAT	Independent Director Chairwoman of the Committee	Appointed as a member of the Compensation Committee by the Board of Directors on 11 December 2015 Appointed as Chairwoman of the Compensation Committee by the Board of Directors on 11 December 2015
Marlène DOLVECK	Independent Director	Appointed a member of the Committee by the Board of Directors at its meeting held on 8 December 2023
Luc JEANNEAU	Director	Appointed a member of the Committee by the Board of Directors at its meeting held on 4 May 2018
Abdel-Liacem LOUAHCHI	Director elected by employees	Appointed a member of the Committee by the Board of Directors at its meeting held on 8 December 2023

Short biographies of members of the Committee are available in Section 1.3 "Other information about the corporate officers" of this report.

Duties of the Compensation Committee

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS – ARTICLE 3.2.2

"The Compensation Committee prepares the decisions of the Board of Directors regarding compensation, in particular those having an impact on risk and risk management in the Company. It assists with the development of compensation policies and the supervision of their implementation.

<u>It makes recommendations to the Board including notably:</u>

- *the total amount of compensation allocated to the members of the Board of Directors, to be submitted to the General Meeting of Shareholders for approval,*
- *the distribution of such compensation among the members of the Board of Directors,*
- *ordinary and exceptional compensation, defined in Article 14 of the Articles of Association as "Directors' Compensation" paid to the members of the Board of Directors, its Chairman and its Vice-Chairmen.*

<u>At least annually, it reviews:</u>

- *the principles of the Company's compensation policy,*
- *the compensation, allowances, benefits in kind, pension commitments and financial entitlements granted to the Chief Executive Officer and to the Deputy General Managers at the proposal of the Chief Executive Officer,*
- *the principles of variable compensation of all employees of the Company including those identified personnel defined in compliance with European regulations, as well as the members of Executive Management (composition, base, ceiling, conditions, form and payment date) and the total amount allocated as part of this compensation. The Compensation Committee is informed of the breakdown of this total at individual level, beyond a threshold proposed by Executive Management and subject to approval by the Board of Directors.*

<u>It also carries out the following:</u>

- *it ensures that the compensation system takes account of all types of risks and that the levels of liquidity and equity and the overall compensation policy is consistent, that it promotes healthy and effective risk management and that it conforms to the financial strategy, to the goals, to Company values and to the long-term interests of the Company,*
- *it prepares the work and decisions of the Board of Directors to identify staff defined in compliance with the European identification rules,*
- *it reports to the Board of Directors on its annual review of the compensation policy and principles, as well as the verification of their compliance with applicable regulations and proposes changes as necessary,*
- *it oversees the compensation of the Head of Risk Management, the Chief Compliance Officer and the Head of Periodic Control,*
- *regarding deferred variable compensation, it evaluates the achievement of performance targets and the need for an adjustment to the ex-post risk, including the application of penalties and recovery plans, in compliance with the regulations in force,*
- *it ensures that the Company's policy and compensation practices are subject to an assessment by periodic control at least once per year, it reviews the results of this evaluation and the corrective measures implemented and it makes any recommendation,*
- *it examines draft reports on compensation including the compensation of Corporate Officers and Executive Corporate Officers, prior to their approval by the Board of Directors."*

(1) General oversight of the compensation policy applicable across Crédit Agricole S.A. and its subsidiaries is carried out within Crédit Agricole S.A. This oversight is presented to the Board of Directors of Crédit Agricole S.A. and includes proposals for the principles used to determine the amounts of variable compensation, the examination of the impact of the risks and the capital requirements inherent to the activities concerned, as well as an annual review, by the Compensation Committee of the Crédit Agricole S.A. Board of Directors, of compliance with regulatory provisions and professional standards on compensation.

◆ Activities of the Compensation Committee during 2023

Number of meetings

The Compensation Committee met twice during 2023.

These meetings focused primarily on the following matters:

- review of the methodology for determining identified staff;
- determination of the overall variable compensation budget;
- examination of the compensation of managers of Executive Corporate Officers;
- examination of the compensation of managers of control functions;
- review of the reports required by law presenting the information on the compensation policy and practices at Crédit Agricole CIB;
- review of the part of the management report and draft resolutions concerning compensation to be presented to the General Meeting of Shareholders.

Reports

Each of these meetings was reported to the Board of Directors.

◆ Attendance rate of members of the Compensation Committee

The attendance rate of the Compensation Committee members was 100% in 2023.

	Number of meetings of the Compensation Committee that each member should have attended in 2023	Number of Compensation Committee meetings attended by each member in 2023	Attendance rate
Luc JEANNEAU	2	2	100%
Jean-Guy LARRIVIÈRE	2	2	100%
Anne-Laure NOAT	2	2	100%
Catherine POURRE	2	2	100%

1.3. Other information about the Corporate Officers

1.3.1. List of functions and mandates held by the Corporate Officers at 31 December 2023

MEMBERS OF THE EXECUTIVE MANAGEMENT

Xavier MUSCA

Office held at Crédit Agricole CIB: **Chief Executive Officer**
Business address: 12, place des États-Unis - CS 70052 - 92547 Montrouge Cedex - France

› **BORN IN 1960**

NATIONALITY

French

› **BRIEF BIOGRAPHY**

An honoree of the Paris Institute of Political Studies and the École Nationale d'Administration, Xavier Musca began his career at the *Inspection Générale des Finances* in 1985. In 1989, he joined the Treasury Department, where he became Head of the European Affairs Bureau in 1990. In 1993, he was called to the Prime Minister's office and then returned to the Treasury Department in 1995. Between 2002 and 2004, he was Chief of Staff for Francis Mer, Minister of the Economy, Finance and Industry, and was appointed Treasury Director in 2004. He became Deputy Secretary General to the President of the French Republic in 2009, in charge of economic affairs, then Secretary General to the President of the French Republic in 2011. He joined the Crédit Agricole group in 2012 as Deputy Chief Executive Officer of Crédit Agricole S.A.

Since September 2022, he has been Deputy Chief Executive Officer of Crédit Agricole S.A. in charge of Large Customers and effective manager of Crédit Agricole S.A. He is also Chief Executive Officer of Crédit Agricole CIB.

YEAR OF FIRST APPOINTMENT

2022

END OF TERM OF OFFICE

Indefinite term of office

Does not own any shares in Crédit Agricole CIB

› **OFFICES HELD AT 31 DECEMBER 2023**

In Crédit Agricole Group companies

- Deputy Chief Executive Officer: Crédit Agricole S.A.
- Chairman: CACEIS (Chairman of the Appointments Committee); CACEIS Bank (Chairman of the Appointments Committee)

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

- Director: Capgemini (Chairman: Audit and Risk Committee, member of the Ethics and Governance Committee)

In other entities outside the Crédit Agricole Group

- Director: Association pour le rayonnement de l'Opéra - AROP

› **POSITIONS ENDED IN THE LAST FIVE YEARS (THE END YEAR OF THE TERM OF OFFICE IS STATED IN BRACKETS)**

In Crédit Agricole Group companies

- Chairman: CA Consumer Finance (2022); Amundi (2022); IDIA (2023)
- Director: Crédit Agricole Assurances (2022); Pacifica (Permanent Representative of Crédit Agricole S.A.) (2022)
- Vice-Chairman: Predica (permanent representative of Crédit Agricole S.A.) (2022); Crédit Agricole Italia (2022)

In entities outside the Crédit Agricole Group

—

Jean-François BALAŸ

Office held at Crédit Agricole CIB: **Deputy Chief Executive Officer**
Business address: 12, place des États-Unis - CS 70052 - 92547 Montrouge Cedex - France

› **BORN IN 1965**

NATIONALITY

French

› BRIEF BIOGRAPHY

Jean-François Balaÿ began his career at Crédit Lyonnais (now LCL) in 1989, where he held various managerial positions in the Corporate market in London, Paris and Asia. From 2001 to 2006, he was Head of Origination and Structuring for Europe at Credit Syndication at LCL, then at Calyon (now Crédit Agricole CIB). In 2006, he became Deputy Head of the EMEA team before taking over responsibility in 2009 of Global Loan Syndication Group. In 2012, he was appointed Head of Debt Optimisation & Distribution. In 2016, Jean-François Balaÿ was appointed Head of Risk and Permanent Control. He was appointed Deputy General Manager in July 2018, overseeing structured finance, the distribution and debt optimisation division, the impaired assets division and international trade and commercial banking. Jean-François Balaÿ was appointed Deputy Chief Executive Officer on 1 January 2021.

Jean-François Balaÿ holds a postgraduate degree in Banking and Finance from Université Lumière Lyon II and a Master's degree in Economic Sciences from Université Lumière Lyon II.

YEAR OF FIRST APPOINTMENT

2021

END OF TERM OF OFFICE

Indefinite term of office

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2023

In Crédit Agricole Group companies

- Director: Crédit Agricole CIB China; Crédit Agricole Payment Services
- Member of the Management Committee: Crédit Agricole S.A.

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

—

› POSITIONS ENDED IN THE LAST FIVE YEARS (THE END YEAR OF THE TERM OF OFFICE IS STATED IN BRACKETS)

In Crédit Agricole Group companies

- Director: UBAF (2020)

In entities outside the Crédit Agricole Group

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Olivier BÉLORGEY

Office held at Crédit Agricole CIB: **Deputy Chief Executive Officer and Chief Financial Officer**
Business address: 12, place des États-Unis – CS 70052 - 92547 Montrouge Cedex - France

› **BORN IN 1964**

NATIONALITY

French

› BRIEF BIOGRAPHY

Olivier Bélorgey began his career at Crédit Lyonnais in 1991 in the Capital Markets Department. In 1995, he joined the Asset/Liability Management unit of the Finance Department as head of interest rate risk. In 1999, he joined the retail banking network as Head of Individual and Professional Customers before joining the Human Resources Department as Head of HR Policies in 2001. He became Head of Finance Control at Crédit Agricole CIB (formerly Calyon) in 2004 and in 2007 became Head of Asset/Liability Management at Crédit Agricole CIB, which was extended to Credit Portfolio Management in 2009. In 2011, Olivier Bélorgey took over responsibility of the Financial Management Department of Crédit Agricole S.A., before becoming Chief Financial Officer of Crédit Agricole CIB in 2017. He also became responsible for purchasing in September 2020. Olivier Bélorgey was appointed Deputy Chief Executive Officer on January 1, 2021.

Olivier Bélorgey graduated from Ecole Polytechnique and holds a Master's degree in Condensed Material Physics and a doctorate in Science.

YEAR OF FIRST APPOINTMENT

2021

END OF TERM OF OFFICE

Indefinite term of office

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2023

In Crédit Agricole Group companies

- Head of Finance and Treasury: Crédit Agricole Group
- Member of the Management Committee: Crédit Agricole S.A.
- Supervisor: Crédit Agricole CIB China

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

- Chairman: Crédit Logement

› POSITIONS ENDED IN THE LAST FIVE YEARS (THE END YEAR OF THE TERM OF OFFICE IS STATED IN BRACKETS)

In Crédit Agricole Group companies

—

In entities outside the Crédit Agricole Group

—

Pierre GAY

Office held at Crédit Agricole CIB: **Deputy Chief Executive Officer and Global Head of Capital Markets**
Business address: 12, place des États-Unis – CS 70052 - 92547 Montrouge Cedex - France

› **BORN IN 1963**

NATIONALITY

French

› BRIEF BIOGRAPHY

Pierre Gay joined the Group in 1990, where he held various positions at Crédit Lyonnais, Calyon and Crédit Agricole Indosuez. He became Chief Executive Officer Asia for Calyon Financial Hong Kong in August 2005. In 2008, he became Chief Executive Officer Asia Pacific based in Hong Kong at Newedge. In 2011, he was named as Treasurer of the Newedge Group before becoming Treasurer of Crédit Agricole CIB in 2014. In 2016, he was appointed Head of Global Markets in France, which extended to Europe (excl. UK) in the same year. He became Global Head of Capital Markets in February 2019. Pierre Gay was appointed Deputy Chief Executive Officer on 1 January 2021.

Pierre Gay holds a Master's degree in Applied Mathematics from Université Lyon I and an ESC LYON DEA from Université de Lyon III.

YEAR OF FIRST APPOINTMENT

2021

END OF TERM OF OFFICE

Indefinite term of office

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2023

In Crédit Agricole Group companies

- Member of the Management Committee: Crédit Agricole S.A.

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

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In other entities outside the Crédit Agricole Group

—

› POSITIONS ENDED IN THE LAST FIVE YEARS (THE END YEAR OF THE TERM OF OFFICE IS STATED IN BRACKETS)

In Crédit Agricole Group companies

—

In entities outside the Crédit Agricole Group

—

BOARD OF DIRECTORS

Philippe BRASSAC

Office held at Crédit Agricole CIB: **Chairman of the Board of Directors**
Business address: 12, place des États-Unis - 92127 Montrouge Cedex - France

› BORN IN 1959

NATIONALITY

French

› BRIEF BIOGRAPHY

A graduate of the Paris Graduate School of Economics, Statistics and Finance (ENSAE), Philippe Brassac joined Crédit Agricole du Gard in 1982. He held several executive offices there before being appointed, in 1994, as Deputy General Manager of Crédit Agricole des Alpes-Maritimes, now Crédit Agricole Provence Côte d'Azur. In 1999, he joined Caisse Nationale de Crédit Agricole as Director of relations with Regional Banks. In 2001, he was appointed as Chief Executive Officer of Crédit Agricole Provence Côte d'Azur. In 2010, he also became Secretary General of the *Fédération Nationale du Crédit Agricole* (FNCA) and Vice-Chairman of the Board of Directors of Crédit Agricole S.A. In May 2015, he was appointed as Chief Executive Officer of Crédit Agricole S.A.

› MAIN AREAS OF EXPERTISE

- Social and environmental responsibility (CSR)
- Strategic planning
- Geopolitics and international economy

YEAR OF FIRST APPOINTMENT

2010

END OF TERM OF OFFICE

2025

SENIORITY ON THE BOARD OF DIRECTORS

> 13 years

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2023

In Crédit Agricole Group companies

- Chief Executive Officer: Crédit Agricole S.A.
- Chairman: LCL, Amundi (member of the Strategy and CSR Committee)

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

- Member of the Executive Committee: French Banking Federation

› POSITIONS ENDED IN THE LAST FIVE YEARS (THE END YEAR OF THE TERM OF OFFICE IS STATED IN BRACKETS)

In Crédit Agricole Group companies

—

In entities outside the Crédit Agricole Group

- Chairman of the French Banking Federation (01/09/2020 to 31/08/2021, then 03/12/2022 to 01/09/2023)

Laure BELLUZZO

Office held at Crédit Agricole CIB: **Director**
Business address: 12 Rue Villiot, 75012 Paris – France

› BORN IN 1973

NATIONALITY

French

› BRIEF BIOGRAPHY

Laure Belluzzo began her career in 1996 in the Internal Audit Department of the Banque Populaire Group, as an internal auditor. In 2000, she joined Banque CPR as lead auditor. In 2001, she was appointed supervisor in the General Inspection department of Crédit Agricole Indosuez (which became Calyon and then Crédit Agricole CIB). In 2006, Laure Belluzzo was appointed Head of Audit France and Eastern Europe. In 2008, she became responsible for budget oversight, communication and management of cross-functional projects of the Capital Market Operations Department of Crédit Agricole CIB. In 2009, she became Head of Fixed Income Middle and Back Offices. In 2010, she was appointed Global Head of Capital Markets Middle and Back Offices at Crédit Agricole CIB.

In 2013, she joined Crédit Agricole S.A. as Head of Strategy and Development. In 2016, she became a member of LCL's Executive Committee with responsibility for IT, back offices, the branch renovation programme, real estate, artificial intelligence and Payments. Since May 2020, she has been Chief Executive Officer of Crédit Agricole Technologies et Services.

Laure Belluzzo is a graduate of EDHEC (1996), Grande Ecole programme.

› MAIN AREAS OF EXPERTISE

- Corporate Management
- Strategic planning
- Banking regulation

YEAR OF FIRST APPOINTMENT

2021

END OF TERM OF OFFICE

2025

SENIORITY ON THE BOARD OF DIRECTORS

> 2 years

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2023

In Crédit Agricole Group companies

- Chief Executive Officer: Crédit Agricole Technologies et Services
- Director: CA Consumer Finance; CA Payment Services; Crédit Agricole Group Infrastructure Platform (Vice-Chairman, member of the Audit and Finance Committee, member of the Strategic Steering Committee, member of the Risk Committee and member of the Transformation Committee); FIRECA; Destination Pro
- Member: Member of the Crédit Agricole Group IT Executive Committee
- Chairwoman: PROGICA

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

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In other entities outside the Crédit Agricole Group

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› POSITIONS ENDED IN THE LAST FIVE YEARS (THE END YEAR OF THE TERM OF OFFICE IS STATED IN BRACKETS)

In Crédit Agricole Group companies

- Director: AVEM (2020); CA Chèques (2020); CA Titres (2020)

In entities outside the Crédit Agricole Group

- Association Visa France (2020)

Sonia BONNET-BERNARD

Office held at Crédit Agricole CIB: **Director**

Chairwoman of the Audit Committee – Member of the Risk Committee – Member of the Appointments and Governance Committee

Business address: Crédit Agricole S.A., 12, place des États-Unis – 92120 Montrouge – France

› **BORN IN 1962**

NATIONALITY

French

› BRIEF BIOGRAPHY

Sonia Bonnet-Bernard began her career in 1985 at Salustro, then worked at Constantin in New York (1989-1990). Specialist in national and international accounting standards, she served as Head of International Relations for the *Ordre des experts-comptables* (Order of Chartered Accountants) from 1990 to 1996, then as Delegate General for the Arnaud Bertrand Committee (now the EIP - Public Interest Entities - Department of the CNCC), coordinating the positions of major audit firms at the national level from 1996 to 1997. She taught as a lecturer at Université Paris IX-Dauphine (general accounting) and at IAE de Poitiers (comparative accounting). Sonia Bonnet-Bernard joined Ricol Lasteyrie Corporate Finance in 1998 as a Managing Partner, primarily in charge of independent appraisal, assessment, accounting advisory and litigation support. She became a partner at Ernst & Young following the 2015 merger between Ricol Lasteyrie Corporate Finance and the Ernst & Young Group. In May 2020, she founded a company specialising in independent financial appraisal and assessment: A2EF. Sonia Bonnet-Bernard was an independent member of the Tarkett Supervisory Board and Chairman of the Audit Committee until end-July 2015. She is currently a director at Rémy Cointreau. She also serves as a chartered accountant and legal expert at the Paris Court of Appeal.

› MAIN AREAS OF EXPERTISE

- Accounting and financial information
- International
- Corporate Management

YEAR OF FIRST APPOINTMENT

2022

END OF TERM OF OFFICE

2025

SENIORITY ON THE BOARD OF DIRECTORS

> 1 year

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2023

In Crédit Agricole Group companies

- Director: Crédit Agricole S.A. (Chairwoman: Audit Committee; Member: Risk Committee)

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

Director: Rémy Cointreau (Member of the Audit-Finance Committee)

In other entities outside the Crédit Agricole Group

- Chairwoman: IMA France; A2EF *(Associés en Evaluation et Expertise Financière)*
- Honorary Chairwoman and Director: *Société Française des Évaluateurs* (SFEV)
- Vice-Chairwoman: *Association professionnelle des experts indépendants* (APEI)

› POSITIONS ENDED IN THE LAST FIVE YEARS (THE END YEAR OF THE TERM OF OFFICE IS STATED IN BRACKETS)

In Crédit Agricole Group companies

- Non-voting advisory member of the board: Crédit Agricole S.A. (2022)

In entities outside the Crédit Agricole Group

- Partner: EY Transaction Advisory Services (TAS) (2020)
- Former member of the Board of the Autorité des normes comptables (ANC) (2020)
- Chairwoman: Commission on Private Accounting Standards (2020)

Paul CARITE

Office held at Crédit Agricole CIB: **Director**

Member of the Risk Committee

Business address: CRCAM Pyrénées Gascogne - 121 chemin de Devèzes – 64121 SERRES CASTET - France

› **BORN IN 1961**

NATIONALITY

French

› BRIEF BIOGRAPHY

Paul Carite graduated from Toulouse Business School and began his career in 1986 at Société Générale. He joined the Crédit Agricole du Lot et Garonne in 1991 where he was appointed as Head of Corporate Market Services, IAA and Public Corporations. He then moved to the Caisse régionale de Crédit Agricole de Gironde as Director of the Business, Public Authorities, Agriculture and Professionals Market. Between 2001 and 2005, Paul Carite was Director of Business and Private Management and then Director of Distribution for the Caisse régionale de Crédit Agricole d'Aquitaine. In 2006, he became Director of the Corporate Bank for LCL, then became a member of the Executive Committee responsible for the Corporate Bank and its cash management businesses. In 2011, he was appointed as Chief Executive Officer of the Caisse régionale de Guadeloupe. In 2016, he became Chief Executive Officer of the Caisse régionale de Crédit Agricole Sud Méditerranée and has been Chief Executive Officer of the Caisse régionale de Crédit Agricole Pyrénées Gascogne since December 2020.

› MAIN AREAS OF EXPERTISE

Strategic planning

Governance

Corporate Management

YEAR OF FIRST APPOINTMENT

2019

END OF TERM OF OFFICE

2026

SENIORITY ON THE BOARD OF DIRECTORS

> 4 years

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2023

In Crédit Agricole Group companies

- Chief Executive Officer: CRCAM Pyrénées Gascogne
- Director: FONCARIS SAS (Member: Commitments Committee); SAS Rue La Boétie; IDIA; GSO; Fonds Indarra
- Chairman of the Supervisory Board: Le Connecteur
- Member: federal bureau (FNCA)

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

—

› POSITIONS ENDED IN THE LAST FIVE YEARS (THE END YEAR OF THE TERM OF OFFICE IS STATED IN BRACKETS)

In Crédit Agricole Group companies

- Director: IFCAM (2019); NEXECUR SAS (2020); CACIF (2022): Crédit Agricole Egypt (2022)
- Chief Executive Officer: CRCAM Sud Méditerranée (2020)
- Member of the Supervisory Committee: SOFILARO (2020)

In entities outside the Crédit Agricole Group

- Director: S.A. Independent du Midi (2020)

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Marlène DOLVECK

Office held at Crédit Agricole CIB: **Director**
Member of the Audit Committee – Member of the Compensation Committee
Business address: 12, place des États-Unis - CS 70052 - 92547 Montrouge Cedex - France

› BORN IN 1975

NATIONALITY

French

› BRIEF BIOGRAPHY

Marlène Dolveck holds an Executive MBA from EDHEC and a specialised Master's degree in CESB/senior banking management from HEC. She began her career as an economics professor before joining Crédit Agricole and then La Poste Group, and more specifically La Banque Postale, where she held successive positions with operational responsibilities (Operations Department, Regional Department, etc.). Since 2017, Marlène Dolveck has been Head of Omnichannel and a member of the Executive Committee for Retail Banking at HSBC France.

› MAIN AREAS OF EXPERTISE

- Social and environmental responsibility (CSR)
- Experience in managing large organisations
- Economy

YEAR OF FIRST APPOINTMENT

2023

END OF TERM OF OFFICE

2026

SENIORITY ON THE BOARD OF DIRECTORS

< 1 year

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2023

In Crédit Agricole Group companies

—

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

- Chief Executive Officer: SNCF Gares et Connexions
- Deputy General Manager: SNCF Group (Member of the Executive Committee)
- Chairwoman of the Board of Directors: Toulouse School of Economics
- Director: Radio France (Chairwomen of the Strategy Committee)

› POSITIONS ENDED IN THE LAST FIVE YEARS (THE END YEAR OF THE TERM OF OFFICE IS STATED IN BRACKETS)

In Crédit Agricole Group companies

—

In entities outside the Crédit Agricole Group

- Head of Omnichannel and Remote Banking: HSBC (2019)

Guy GUILAUMÉ

Office held at Crédit Agricole CIB: **Director**

Member of the Audit Committee

Business address: CRCAM Anjou Maine - 77 avenue Olivier Messiaen - 72083 LE MANS - France

› BORN IN 1958

NATIONALITY

French

YEAR OF FIRST APPOINTMENT

2021

END OF TERM OF OFFICE

2024

SENIORITY ON THE BOARD OF DIRECTORS

> 3 years

Does not own any shares in Crédit Agricole CIB

› BRIEF BIOGRAPHY

After studying Economics and Management at the Ecole Supérieure de Formation Agricole d'Angers, Guy Guilaumé established himself in 1981 as a farmer operating in dairy and pig production until September 2020.

At the same time, he invested heavily in the development and influence of Crédit Agricole.

In 1988, he became a Director of the Crédit Agricole Pays de Château-Gontier local bank (new name in 2014), then Chairman of this local bank from 1995 to 2020.

He is Chairman of the Crédit Agricole Regional Bank of Anjou Maine since March 2017 (Vice-Chairman from 1997 to 2017).

In addition, he held various positions within the Fédération Nationale de Crédit Agricole (FNCA), Crédit Agricole S.A. and other Crédit Agricole Group subsidiaries.

Until 2020, he held several offices at the local and regional levels, including the Regional Chamber of Agriculture, the Mayenne Expansion Departmental Economic Development Agency and various agricultural organisations.

› MAIN AREAS OF EXPERTISE

- Human Resources - Compensation
- Governance
- Corporate Management

› OFFICES HELD AT 31 DECEMBER 2023

In Crédit Agricole Group companies

- Chairman: CRCAM de l'Anjou et du Maine
- Vice-Chairman: FNCA federal bureau
- Director: CA Consumer Finance; SAS Rue la Boétie; Pays de Château-Gontier local bank

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

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In other entities outside the Crédit Agricole Group

- Chairman: Association HECA; Association développement solidaire; Fondation le Mans Université
- Member: Association SOLAAL Pays de la Loire (representative member of CRCAM de l'Anjou et du Maine)

› POSITIONS ENDED IN THE LAST FIVE YEARS (THE END YEAR OF THE TERM OF OFFICE IS STATED IN BRACKETS)

In Crédit Agricole Group companies

- Member: Transformation and Performance Committee (FNCA) (2018)

In entities outside the Crédit Agricole Group

- Co-manager of GAEC de la Morandière (2020)
- Chairman: AGECIF CAMA (2019)
- Vice-Chairman: AGECIF CAMA (2021) (Representative of Crédit Agricole Group)
- Member: European Works Council (Crédit Agricole S.A.) (2023)

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Luc JEANNEAU

Office held at Crédit Agricole CIB: **Director**

Member ot the Appointments and Gouvernance Committee - Member of the Compensation Committee

Business address: CRCAM Atlantique Vendée - Route de Paris la Garde – 44949 Nantes Cedex 9 - France

› BORN IN 1961

NATIONALITY

French

› BRIEF BIOGRAPHY

Luc Jeanneau has been at the head of a farming business on the island of Noirmoutier since 1985. In 1990, he became Director of the Caisse Locale du Crédit Agricole de Noirmoutier, then Director of the Caisse régionale de la Vendée in 1993, and Director of the Caisse régionale Atlantique Vendée in 2002, where he was Vice-Chairman in 2010. He has been its Chairman since 1 April 2011. At the same time he holds various positions and responsibilities within the Crédit Agricole Group, in particular as a member of the Group's Commissions or Committees, and holds several offices within the Group's subsidiaries.

› MAIN AREAS OF EXPERTISE

Social and environmental responsibility (CSR)

Governance

Corporate Management

YEAR OF FIRST APPOINTMENT

2017

END OF TERM OF OFFICE

2026

SENIORITY ON THE BOARD OF DIRECTORS

> 6 years

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2023

In Crédit Agricole Group companies

- Chairman: CRCAM Atlantique-Vendée; CAMCA Mutuelle; CAMCA Assurance Réassurance; CAMCA Courtage
- Director: Caisse locale de Noirmoutier; SAS Rue la Boétie; SACAM Participations; ADICAM; SCI CAM; SACAM Assurances Caution
- Member of the Management Committee: GIE GECAM
- Member of the Management Board: SACAM Mutualisation
- Member: FNCA federal bureau

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

- Manager: EARL Les Lions
- Director: Coopérative des producteurs de Noirmoutier;
- Chairman: Association des Saveurs de l'Ile de Noirmoutier

› POSITIONS ENDED IN THE LAST FIVE YEARS (THE END YEAR OF THE TERM OF OFFICE IS STATED IN BRACKETS)

In Crédit Agricole Group companies

—

In entities outside the Crédit Agricole Group

- Director: Felcoop Coopérative (2022); Comité interprofessionnel de la pomme de terre (2023)

Jérôme KARKULOWSKI

Office held at Crédit Agricole CIB: **Director (elected by employees)**

Business address: 12, place des États-Unis - CS 70052 - 92547 Montrouge Cedex - France

› BORN IN 1966

NATIONALITY

French

YEAR OF FIRST APPOINTMENT

2023

END OF TERM OF OFFICE

2026

SENIORITY ON THE BOARD OF DIRECTORS

< 1 year

Does not own any shares in Crédit Agricole CIB

› BRIEF BIOGRAPHY

A graduate of HEC Cursus Grande Ecole with a Major in Finance, Jérôme Karkulowski began his banking career at Indosuez in 1987. After gaining further professional experience in investment banking in Paris and New York, he joined Crédit Lyonnais (now LCL) in 1992, where he held various operational and managerial positions in the Markets Department and then the Finance Department (notably in charge of refinancing). As part of the merger with Crédit Agricole in 2003, he joined the Finance Department of Crédit Agricole S.A. in 2004, in charge of hedging for the Crédit Agricole S.A. balance sheet (excluding the Regional Banks), as well as the LCL balance sheet (centralised from 2007). In 2012, he joined Crédit Agricole CIB, where he serves as head of the Balance Sheet Position Management team, and is also responsible for Pillar 2 Finance Coordination and the Finance Regulatory Watch. He has been a director since November 2023.

› MAIN AREAS OF EXPERTISE

- Accounting and financial information
- Financial markets
- Banking regulation

› OFFICES HELD AT 31 DECEMBER 2023

In Crédit Agricole Group companies

—

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

—

› POSITIONS ENDED IN THE LAST FIVE YEARS (THE END YEAR OF THE TERM OF OFFICE IS STATED IN BRACKETS)

In Crédit Agricole Group companies

—

In entities outside the Crédit Agricole Group

- Director: Semarelp (2020)
- Member of the Supervisory Board: Centre Hospitalier Rives de Seine (2021)

3

Abdel-Liacem LOUAHCHI

Office held at Crédit Agricole CIB: **Director (elected by employees)**
Member of the Compensation Committee
Business address: 12, place des États-Unis - CS 70052 - 92547 Montrouge Cedex - France

› BORN IN 1975

NATIONALITY

French

YEAR OF FIRST APPOINTMENT

2020

END OF TERM OF OFFICE

2026

SENIORITY ON THE BOARD OF DIRECTORS

> 3 years

Does not own any shares in Crédit Agricole CIB

› BRIEF BIOGRAPHY

Abdel-Liacem Louahchi began working within the Crédit Agricole Group nineteen years ago, more specifically at Crédit Agricole Indosuez, which became Calyon, and is now Crédit Agricole Corporate & Investment Bank.

He began his career as a banking business line technician in the General Resources Department and currently serves as back office manager in the OPC/FTO Process and Change Management, Documentary and Guarantee Operations Department. He became a Director elected by employees on 25 November 2020.

› MAIN AREAS OF EXPERTISE

- Financial markets
- Banking regulation
- Anti-money-laundering and combating the financing of terrorism

› OFFICES HELD AT 31 DECEMBER 2023

In Crédit Agricole Group companies

—

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

—

› POSITIONS ENDED IN THE LAST FIVE YEARS (THE END YEAR OF THE TERM OF OFFICE IS STATED IN BRACKETS)

In Crédit Agricole Group companies

—

In entities outside the Crédit Agricole Group

—

Meritxell MAESTRE CORTADELLA

Office held at Crédit Agricole CIB: **Director**

Chairwoman of the Appointments and Governance Committee - Member of the Risk Committee - Member of the Audit Committee

Business address: 12, place des États-Unis - CS 70052 - 92547 Montrouge Cedex - France

› BORN IN 1971

NATIONALITY

Andorran

› BRIEF BIOGRAPHY

Meritxell Maestre graduated in mathematical engineering from the Institut National des Sciences Appliquées in Rouen (1994) and has a Master of Business Administration from the ESADE in Barcelona and the University of Chicago (1996). She began her career as an investment banking analyst at Bank of America Merrill Lynch in London where she advised clients in the European financial services sector on their M&A and fund-raising operations. In 1998, she joined the Paris team of Bank of America Merrill Lynch. In 2009, she was promoted to *Managing Director* and became Head of Financial Institutions for France, Spain, Belgium and Portugal until November 2015.

She is currently Chairwoman of Enclar Conseil and a Senior Advisor to the investment fund CVC Capital Partners.

› MAIN AREAS OF EXPERTISE

- Financial markets
- Strategic planning
- International

YEAR OF FIRST APPOINTMENT

2020

END OF TERM OF OFFICE

2026

SENIORITY ON THE BOARD OF DIRECTORS

> 3 years

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2023

In Crédit Agricole Group companies

—

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

- Chairwoman: Enclar Conseil; 2MJF
- Senior Advisor: CVC Capital Partners

› POSITIONS ENDED IN THE LAST FIVE YEARS (THE END YEAR OF THE TERM OF OFFICE IS STATED IN BRACKETS)

In Crédit Agricole Group companies

—

In entities outside the Crédit Agricole Group

- Director: April Group (2022); RGI Spa (2023)
- Member of the Supervisory Board: Andromeda Holdings (2022)

3

Anne-Laure NOAT

Office held at Crédit Agricole CIB: **Director**

Chairwoman of the Risk Committee - Chairwoman of the Compensation Committee - Member of the Audit Committee

Business address: 12, place des États-Unis - CS 70052 - 92547 Montrouge Cedex - France

› BORN IN 1964

NATIONALITY

French

› BRIEF BIOGRAPHY

An agronomic engineer and graduate of the Institut National Agronomique Paris Grignon (1983) and the ESSEC business school (1988), Anne-Laure Noat began her career at Crédit Lyonnais in Japan in 1988. She joined Eurogroup Consulting in 1990 where she has been a partner since 2002. She develops Eurogroup Consulting's business in the transport and logistics sectors, notably as regards industry policy, strategic projects and industrial and managerial performance. She also specialises in corporate governance consulting (corporate-function performance (legal, communication, HR), business strategy, change management and corporate project deployment) and is a member of the Transitions Practice, where she was also in charge of the team of consultant coaches in assessment and talent development. She has been on the Executive Committee since July 2021, is responsible for the firm's ESG activities and is a member of its Ethics Committee.

› MAIN AREAS OF EXPERTISE

- Social and environmental responsibility (CSR)
- Management of climate risks
- Governance

YEAR OF FIRST APPOINTMENT

2014

END OF TERM OF OFFICE

2026

SENIORITY ON THE BOARD OF DIRECTORS

> 9 years

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2023

In Crédit Agricole Group companies

—

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

- Partner and member of the Management Committee: Eurogroup Consulting France

› POSITIONS ENDED IN THE LAST FIVE YEARS (THE END YEAR OF THE TERM OF OFFICE IS STATED IN BRACKETS)

In Crédit Agricole Group companies

—

In entities outside the Crédit Agricole Group

- Chairwoman: DDS SAS (2019); Chairwoman of the HR and Business Committee of Union Internationale des Transports Publics and a member of the Policy Board (2021)
- Chairwoman: NDDS SAS (2022)

Carol SIROU

Office held at Crédit Agricole CIB: **Independent Director**
Member of the Risk Committee
Business address: 12, place des États-Unis - 92120 Montrouge Cedex – France

› **BORN IN 1968**

NATIONALITY

French

› BRIEF BIOGRAPHY

Carol Sirou is Chairwoman of EthiFinance and an Independent Director, drawing on 30 years' experience in senior management positions in Europe and the United States.

She spent much of her career in financial services at Standard & Poor's Ratings: she managed the credit rating agency's activities in Paris from 2008 to 2014, then joined S&P's New York head office to set up a regulatory programme, before heading up global compliance for the group at S&P Global Inc. in 2016. From 2018 to 2022, she founded a risk management and ESG advisory firm.

Passionate about sustainable finance issues, in June 2022 she was appointed CEO of EthiFinance, an independent European ESG rating and advisory firm, with the aim of accelerating the implementation of the strategic plan and the development of a double materiality agency in Europe.

She is also an independent director. In June 2022, she joined the Board of Directors of Crédit Agricole S.A., initially as a non-voting director and as an independent director in May 2023. She chairs the Crédit Agricole S.A. Risk Committee, the US Risk Committee and is a member of the Group Audit Committee. She contributes her knowledge of finance and compliance governance as well as an international perspective, particularly in the US, gained over the seven years she spent in New York between 2014 and 2022.

She has been a member of the MEDEF Governance Committee since 2021 and the IFA's ESG group since 2022.

A graduate of Sciences Po Paris, she holds a Master's degree in Corporate Finance from Université Paris Dauphine and completed a management programme at the University of Virginia Darden Business School.

› MAIN AREAS OF EXPERTISE

Social and environmental responsibility (CSR)

Banking regulation

Financial markets

YEAR OF FIRST APPOINTMENT

2023

END OF TERM OF OFFICE

2026

SENIORITY ON THE BOARD OF DIRECTORS

< 1 year

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2023

In Crédit Agricole Group companies

- Director: Crédit Agricole S.A.

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

- Chairwoman: Ethifinance and its subsidiaries (EthiFinance Ratings SL, Imug Rating Gmbh)
- Founding Partner: Safineia Advisors New York
- Member: Medef Governance Committee; IFA's ESG Group

› POSITIONS HELD IN THE LAST FIVE YEARS (THE END YEAR OF THE TERM OF OFFICE IS STATED IN BRACKETS)

In Crédit Agricole Group companies

—

In entities outside the Crédit Agricole Group

- Independent Director: Europcar Mobility Group (2022), Agence France Locale (2022); Qivalio Lyon (2022); Exane (2021)

3

S

Odet TRIQUET

Office held at Crédit Agricole CIB: **Director**

Member of the Risk Committee

Business address: CRCAM Touraine Poitou - 18 rue Salvador Allende – BP 307 - 86008 Poitiers Cedex - France

› BORN IN 1962

NATIONALITY

French

› BRIEF BIOGRAPHY

Odet Triquet has been running a farm specialising in cereals and goat farming since 1989. He joined the Crédit Agricole Group in 1992 as Director of the Caisse Locale de Civray. He became its Chairman in 1997. In the same year he became Director of the Caisse régionale de Touraine et du Poitou. He was appointed as Vice-Chairman of the Caisse régionale in 2000 and then Chairman in March 2012. He also holds several positions of responsibility within the Group's national bodies, particularly as a member of Federal Committees, and within Group subsidiaries.

› MAIN AREAS OF EXPERTISE

- Social and environmental responsibility (CSR)
- Governance
- Banking regulation

YEAR OF FIRST APPOINTMENT

2018

END OF TERM OF OFFICE

2024

SENIORITY ON THE BOARD OF DIRECTORS

> 5 years

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2023

In Crédit Agricole Group companies

- Chairman: CRCAM Touraine Poitou
- Director: GIE CARCENTRE, FIRECA, SAS Foncière TP, SAS CATP Immobilier, SAS CATP Expansion, SAS rue la Boétie, SACAM Participations
- Member: FNCA Federal Office; SACAM Mutualisation Management Board

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

- Director: CCPMA Prévoyance, Réunion d'information commune (AGRICA Group and AGRICA Gestion)
- Co-manager: GAEC des Panelières

› POSITIONS ENDED IN THE LAST FIVE YEARS (THE END YEAR OF THE TERM OF OFFICE IS STATED IN BRACKETS)

In Crédit Agricole Group companies

- Director: BforBank (Member of the Audit Committee) (2021); CA Titres (2023)

In entities outside the Crédit Agricole Group

—

Emmanuel VEY

Office held at Crédit Agricole CIB: **Director**
Member of the Audit Committee
Business address: CRCAM Champagne Bourgogne - 18 rue Davout - 21000 Dijon - France

› BORN IN 1969

NATIONALITY

French

› BRIEF BIOGRAPHY

Emmanuel Vey joined the Crédit Agricole Group in 1996 at Crédit Agricole Nord-Est's Investment Banking subsidiary, after starting in 1992 as an Investment Manager at the private equity firm of the Siparex Group.

In 2002, he helped create and develop Carvest (Crédit Agricole Régions Investissement), the joint venture capital subsidiary of twelve regional banks.

In 2006, Emmanuel Vey joined the Champagne-Bourgogne Regional Bank as Director in charge of the development of the Regional Bank on the Corporate and Private Banking markets and real estate activities.

Finally, in 2013, he was appointed Deputy Chief Executive Officer of Crédit Agricole Centre-Est in Lyon, where he supervised the commitments, loans and specialised markets activities (corporate, professional, wealth management and agricultural clients) and growth driver subsidiaries. In addition, he represented the Regional Bank in the Saône et Loire department and chaired the Credit User Division, in charge of IT credit solutions for all Regional Banks.

Emmanuel Vey has been Chief Executive Officer of Crédit Agricole Champagne Bourgogne since 1 July 2020.

He holds a Master's degree in Industrial Economics and another Master's in International Economics from Université Sorbonne Paris Nord, as well as an MBA from the Chicago Booth School of Business at the University of Chicago.

› MAIN AREAS OF EXPERTISE

- Social and environmental responsibility (CSR)
- Governance
- Economy

YEAR OF FIRST APPOINTMENT

2022

END OF TERM OF OFFICE

2025

SENIORITY ON THE BOARD OF DIRECTORS

> 2 years

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2023

In Crédit Agricole Group companies

- Chief Executive Officer: CRCAM Crédit Agricole Champagne Bourgogne
- Director: Crédit Agricole Home Loan SFH (Member: Risk Committee); IDIA; SAS Rue la Boétie
- Chairman: Crédit Agricole Group Infrastructure Platform; Delta
- Permanent Representative: CRCAM Champagne Bourgogne - Director CATS
- Member of the federal bureau: FNCA

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

- Member of the Supervisory Board: SAS In Extenso (Member of the Strategic Committee)
- Permanent Representative: CRCAM Champagne-Bourgogne - Vice-Chairman: Association Dijon-Bourgogne Invest; Yschool Club Mécènes

› POSITIONS ENDED IN THE LAST FIVE YEARS (THE END YEAR OF THE TERM OF OFFICE IS STATED IN BRACKETS)

In Crédit Agricole Group companies

- Chairman of the Executive Committee: Santeffi (2022)
- Chairman: Paymed SAS (2022)
- Director: BforBank (2023)

In entities outside the Crédit Agricole Group

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3

Claude VIVENOT

Office held at Crédit Agricole CIB: **Director**
Business address: CRCAM Lorraine - 56-58 avenue André Malraux - 57000 METZ - France

› **BORN IN 1958**

NATIONALITY

French

YEAR OF FIRST APPOINTMENT

2021

END OF TERM OF OFFICE

2025

SENIORITY ON THE BOARD OF DIRECTORS

> 3 years

Does not own any shares in Crédit Agricole CIB

› BRIEF BIOGRAPHY

Managing a farm business for many years, Claude Vivenot was president of one of the leading grain collection and supply cooperatives in Lorraine from 2001 to 2012. In parallel with these positions, he became a Director of the Metz local bank in 2005 and then Chairman in 2011. He joined the *Caisse régionale de Crédit Agricole de Lorraine* in March 2006 as a Director. He has been appointed Chairman of this Regional Bank on 29 March 2012. At the same time, he has held numerous responsibilities and positions within the Crédit Agricole Group and holds several offices within Group subsidiaries.

› MAIN AREAS OF EXPERTISE

- Human Resources and Compensation
- Accounting and financial information
- Governance

› OFFICES HELD AT 31 DECEMBER 2023

In Crédit Agricole Group companies

- Chairman: CRCAM Lorraine;
- Director: LCL; SAS Rue la Boétie
- Member and Treasurer of the federal bureau: FNCA

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

› POSITIONS ENDED IN THE LAST FIVE YEARS (THE END YEAR OF THE TERM OF OFFICE IS STATED IN BRACKETS)

In Crédit Agricole Group companies

- Chairman: IFCAM (2023)

In entities outside the Crédit Agricole Group

- Chief Agricultural Officer: EARL de Redigny (2022)
- Partner: SCEA Des Charmois (2023)

Valérie WANQUET

Office held at Crédit Agricole CIB: **Director**
Business address: 1, rue Victor Basch - 91068 Massy Cedex – France

› **BORN IN 1966**

NATIONALITY

French

› BRIEF BIOGRAPHY

Valérie Wanquet began her career in auditing at PricewaterhouseCoopers in 1988. She joined Crédit Lyonnais in 1991 as Head of Capital Markets Accounting. In 1999, she joined the Singapore branch as Financial Controller, followed by Hong Kong in 2001, and became Chief Financial Officer for Asia in 2003.

In 2007, she was appointed COO of Crédit Agricole CIB China. From 2011 to 2013, she served as regional CFO before becoming COO for Crédit Agricole Hong Kong and Asia-Pacific.

Valérie Wanquet joined CACF in 2016 as Group Chief Financial Officer. In July 2019, she also headed the Corporate Secretary' Office, Group Legal and Credit. Since January 2021, she has served as second managing director of CACF and Deputy CEO of the Group International, Finance and Legal scope, in addition to Insurance as from January 2022.

Valérie Wanquet is a graduate of ESSEC and a chartered accountant.

› MAIN AREAS OF EXPERTISE

- Accounting and financial information
- International
- Experience in managing large organisations

YEAR OF FIRST APPOINTMENT

2023

END OF TERM OF OFFICE

2024

SENIORITY ON THE BOARD OF DIRECTORS

< 1 year

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2023

In Crédit Agricole Group companies

- Deputy Chief Executive Officer: CA CONSUMER FINANCE;
- Chairwoman of the Board of Directors: CA CONSUMER FINANCE SPAIN; CREDIBOM; CREDITPLUS
- Director: AGOS; CA AUTO BANK; LEASYS; CA CREDITOR INSURANCE
- Member of the Management Committee: Crédit Agricole S.A.

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

—

› POSITIONS HELD IN THE LAST FIVE YEARS (THE END YEAR OF THE TERM OF OFFICE IS STATED IN BRACKETS)

In Crédit Agricole Group companies

- Director: CA CONSUMER FINANCE NL (2022)

In entities outside the Crédit Agricole Group

—

3

Émile LAFORTUNE

Office held at Crédit Agricole CIB: **Non-voting advisory member of the board**
Business address: CRCAM de Guadeloupe – Petit-Pérou – 97176 Les Abymes Cedex - France

› BORN IN 1953

NATIONALITY

French

› BRIEF BIOGRAPHY

Émile Lafortune, who is a farmer, holds a PhD in physiology and a master's degree in biology.

In 2012, he became Director of the Caisse Locale de Port Louis and Director of the Caisse régionale of which he then became first Vice-Chairman and then Chairman in 2017.

At the same time, he holds several representative offices within the Crédit Agricole Group.

› MAIN AREAS OF EXPERTISE

- Social and environmental responsibility (CSR)
- Governance
- Corporate Management

YEAR OF FIRST APPOINTMENT

2020

END OF TERM OF OFFICE

2026

SENIORITY ON THE BOARD OF DIRECTORS

> 3 years

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2023

In Crédit Agricole Group companies

- Chairman: CRCAM of Guadeloupe

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

—

› POSITIONS ENDED IN THE LAST FIVE YEARS (THE END YEAR OF THE TERM OF OFFICE IS STATED IN BRACKETS)

In Crédit Agricole Group companies

—

In entities outside the Crédit Agricole Group

- Chairman: IODE (Job Development Initiatives and Approaches) training centre (2020)

Christian ROUCHON

Office held at Crédit Agricole CIB: **Non-voting advisory member of the board**

Business address: CRCAM du Languedoc - Avenue de Montpelliéret – Maurin – 34977 LATTES – France

› BORN IN 1960

NATIONALITY

French

› BRIEF BIOGRAPHY

Christian Rouchon joined the Crédit Agricole Group in 1988 as Head of Accounting and Finance at the Caisse régionale de la Loire, then at the Caisse régionale Loire Haute-Loire in 1991, where he became the Finance Director in 1994. He was appointed as the Information Systems Director of the Caisse régionale Loire Haute-Loire in 1997. In 2003, he was appointed as Deputy General Manager responsible for operations at the Caisse régionale des Savoie, before joining the Caisse régionale Sud Rhône-Alpes in September 2006 as the Deputy General Manager responsible for development. In April 2007, he became Chief Executive Officer.

Since September 2020, Christian Rouchon has been Chief Executive Officer of the Caisse régionale du Languedoc. He also holds several positions of responsibility within the Group's national bodies, particularly as a member of Federal Committees, and within Group subsidiaries.

› MAIN AREAS OF EXPERTISE

Accounting and financial information

Banking regulation

Strategic planning

YEAR OF FIRST APPOINTMENT

2019

END OF TERM OF OFFICE

2025

SENIORITY ON THE BOARD OF DIRECTORS

> 4 years

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2023

In Crédit Agricole Group companies

- Chief Executive Officer: CRCAM Languedoc
- Director: Amundi (Chairman of the Risk Committee and the Audit Committee)
- Member of the Supervisory Committee: CA Transitions Fund

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

—

› POSITIONS HELD IN THE LAST FIVE YEARS (THE END YEAR OF THE TERM OF OFFICE IS STATED IN BRACKETS)

In Crédit Agricole Group companies

- Director: Square Habitat Sud Rhône Alpes (2020); BforBank (2020); Crédit Agricole Home Loan SFH (2020)
- Chief Executive Officer: CRCAM Sud Rhône Alpes (2020)
- Non-shareholder Manager: Sep Sud Rhône Alpes (2020)

In entities outside the Crédit Agricole Group

—

3

1.3.2. Shares held by the Directors

The directors of Crédit Agricole CIB do not hold any shares in the Company.

1.3.3. Rights and duties of directors, non-voting advisory members of the Board and members of Executive Management

In accordance with the Rules of Procedure of the Board of Directors, in the performance of their duties, Directors, non-voting advisory members of the board and members of the Executive Management hold certain rights and are required to observe a number of rules, including the Rules of Procedure of the Board.

The Rules of Procedure are dated and signed by all directors, non-voting advisory members of the Board, and members of Executive Management at the beginning of their term of office or in the event of a change in the Rules of Procedure (partially set out below).

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS, ARTICLE 4 – DIRECTORS' RIGHTS AND DUTIES

"Directors shall ensure compliance with the principles and best corporate governance practices set out in this article, in particular with a view to promoting the quality of the Board of Directors' work."

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS, ARTICLE 4.1 – ETHICS - INDEPENDENCE, CONFLICTS OF INTEREST, INTEGRITY

"On taking up they take office, and throughout the term of office, the director must be fully aware of their rights and obligations. In particular, they must be aware of and comply with the legal and regulatory provisions applicable to the Company and those relating to their position. They must familiarise themselves with the applicable governance codes and best practices, including the Crédit Agricole Group's Ethics Charter and the Company's Code of Conduct, as well as the Company's own rules set out in its articles of association and the Board of Directors' rules of procedure.

In general, the director is bound by the obligations applicable to them in accordance with the French Monetary and Financial Code and the General Regulation of the French Financial Markets Authority (Autorité des Marchés Financiers, AMF), in particular as regards the use and disclosure of confidential and/or privileged information and, more generally speaking, conflicts of interest.

The director, however appointed, must in all circumstances act in the corporate interest.

The director has at all times the integrity, knowledge, skills and experience necessary to carry out their duties.

The director ensures to preserve, in all circumstances, their independence and freedom of judgement, decision and action. They must be impartial and not let themselves be influenced by any element outside the corporate interest, which it is their duty to defend.

They undertakes to inform the Board of Directors of any change in their personal or professional situation that might call into question the conditions of their appointment, in particular as regards their integrity or independence of mind.

The director, together with the other members of the Board, undertakes to ensure that the tasks of the Board of Directors are carried out efficiently and without hindrance.

The director shall make any recommendations they consider might improve the operating procedures of the Board of Directors.

The director shall inform the Board of Directors of any potential conflict of interest in which they could be exposed directly or indirectly. They shall abstain from taking part in the deliberations or vote on the relevant items.

When a director is no longer in a position to perform their duties in accordance with the provisions of these rules of procedure and the articles of association or any applicable legal and regulatory provisions, due to their own action or for any other reason including the rules of the Company in which they perform their duties, they must inform the Chairman of the Board of Directors, seek solutions to remedy the situation and, failing that, take the personal consequences from carrying out their office."

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS, ARTICLE 4.2 – RIGHT TO INFORMATION

"The Chairman of the Board of Directors shall ensure that the Directors are properly informed, and that they have at all times all the information necessary to usefully contribute to discussions on items included on the Board meeting's agenda or on any items included on the agenda of meetings of the Board of Directors' Special Committees of which they are members. The Chairman of each Committee shall also ensure that all members of the Committee are provided with the information they need to carry out their duties."

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS, ARTICLE 4.3 – AVAILABILITY

"The director shall devote sufficient time to the performance of their functions and necessary for their training. They must attend all meetings of the Board of Directors and of Committees of which they are members, unless they are genuinely unable to do so.

They undertake to inform the Secretary's Office of the Board of Directors and the Board of Directors of any change in their personal or professional situation that might to call into question the conditions of their appointment, relating in particular to their availability, and compliance with the rules for limiting the number of corporate offices held."

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS, ARTICLE 4.4 – DUTY OF LOYALTY

"The director acts in good faith and takes no initiative that might be detrimental to the interests of the Company or of other companies within the Crédit Agricole Group. They alert the Board of Directors to any information in their possession that may have an impact on the Company's interests."

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS, ARTICLE 4.5 – DUTY OF EXPRESSION

"The director has the duty to express their questions and opinions. In the event of disagreement, they ensure that it is explicitly documented in the meeting's minutes."

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS, ARTICLE 4.6 – CONFIDENTIALITY

"The director respects the total confidentiality of the information they receives, the debates in which they participates and the decisions taken within the framework of the Board of Directors or its Committees, as well as the confidentiality of the decisions taken."

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS, ARTICLE 4.7 – PRIVILEGED INFORMATION

"For the record, pursuant to Regulation (EU) 596/2014 on market abuse, members of the Board of Directors must refrain from using privileged information, on their own behalf or on behalf of others, directly or indirectly, to acquire or sell, or attempt to acquire or sell financial instruments to which this information relates as long as the information has not been made public.

Each member of the Board of Directors must also refrain from recommending, on the basis of inside information, that another person acquire or sell financial instruments to which that information relates, or encourages that person to make such an acquisition or sell. More specifically, if in the exercise of their office as Director they obtain privileged information about the Company, they shall refrain from using such information to carry out, or have a third party carry out, any transactions on the Company's financial instruments.

Since the director has access to information on the financial results of the Company and therefore, indirectly, on Crédit Agricole S.A., in accordance with the rules of the Crédit Agricole S.A. Group, they must limit any transactions in Crédit Agricole S.A. securities to each six-week period following the publication of the annual, half-yearly and quarterly results, as long as they are not privy to any inside information during these periods.

In addition, the Company may be in a position to prohibit trading in any Crédit Agricole S.A. financial instruments, including during authorised periods, as well as in any financial instruments that may be the subject of privileged information within the framework of the meetings of the Board of Directors or one of its Committees (strategic operations, acquisitions, creation of joint ventures, etc.).

The director is required to declare to the Conflicts Management Group within the Compliance Department of the Company, on behalf of themselves and all persons closely related to them, all transactions carried out on any financial instruments, except those issued by or linked to the Company or to Crédit Agricole S.A., that they believe may create a potential conflict of interest or contain confidential information that may be qualified as privileged and acquired in the course of their functions as a Director of the Company."

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS, ARTICLE 5 - NOTIFICATION

"The directors agree to comply and implement to comply with and implement the rules contained in these rules of procedure. They also comply unreservedly with the provisions of the Crédit Agricole Group's Ethics Charter and the Company's Code of Conduct, of which they have received a copy and agree to comply with them.

Members of the Executive management and Non-voting advisory members of the board agree to comply with the provisions of the rules of procedure, in particular the provisions related to conflicts of interest or privileged/confidential information of which they may be aware."

Conflicts of interest

To the best of Crédit Agricole CIB's knowledge, there are no conflicts of interest between the duties of members of the Board of Directors and the Executive Management with regard to Crédit Agricole CIB and their private interests.

Directors are required to inform the Board of Directors of any potential conflict of interest, to which they may be exposed directly or indirectly. They shall refrain from participating in discussions and decision-making on such matters.

Affiliation with the Crédit Agricole network, Crédit Agricole S.A. central institution

Crédit Agricole CIB is affiliated with the Crédit Agricole network and that Crédit Agricole S.A. acts as a central institution in accordance with the provisions of article L. 511-31 of the French Monetary and Financial Code.

Crédit Agricole CIB's Board of Directors and Executive Management are composed of Corporate Officers of companies (including Crédit Agricole Group companies - the Crédit Agricole or Crédit Agricole S.A. Regional Banks) with which Crédit Agricole CIB has or could have commercial relationships. This could be a source of potential conflicts of interest. The composition of the Board of Directors is based on the desire to reflect the capital structure of Crédit Agricole CIB, which is 100% controlled by the Crédit Agricole Group, as well as the diversity objectives defined by the Board of Directors.

Reputation - Integrity

To the best of Crédit Agricole CIB's knowledge, to date, no convictions for fraud, bankruptcy, receivership or liquidation have been filed in the last five years against any member of the Board of Directors or Executive Management of Crédit Agricole CIB.

To the best of Crédit Agricole CIB's knowledge, none of the members of Crédit Agricole CIB's Board of Directors or Executive Management has been prevented by a court from acting in that capacity or from intervening in a management or executive capacity in the activities of a listed company during the last five years.

Service contracts

There is no service contract directly binding the members of the Board of Directors or Executive Management to Crédit Agricole CIB or to any of its subsidiaries which provides for the granting of benefits under this agreement.

1.3.4. Transactions carried out on the securities of Crédit Agricole CIB (Art. L. 621-18-2 of the French Monetary and Financial Code)

Given that Crédit Agricole CIB's shares are not listed on a regulated market, the provisions of Article L. 621-18-2 of the French Monetary and Financial Code regarding this category of securities are not applicable to Crédit Agricole CIB.

For 2023, Crédit Agricole CIB has no knowledge of the existence of transactions conducted on their own account by the persons referred to in Article L. 621-18-2 of the French Monetary and Financial Code and relating to debt securities of Crédit Agricole CIB or related derivatives or other financial instruments.

Information on the ownership structure at 31 December 2023 is provided in Note 6.16 to the consolidated financial statements (see Section 3 of Chapter 6 "Consolidated financial statements at 31 December 2023").

1.3.5. Agreements referred to in Article L. 225-37-4-2° of the French Commercial Code

In accordance with the provisions of Article L. 225-37-4 2° of the French Commercial Code, to the best of Crédit Agricole CIB's knowledge, no agreement has been reached, directly or by any intermediary during 2023 financial year, between:

- on one hand, the Chief Executive Officer, the Deputy Chief Executive Officer, one of the Directors or one of the shareholders holding a fraction of the voting rights greater than 10% of Crédit Agricole CIB;
- on the other hand, another company in which Crédit Agricole CIB holds, directly or indirectly, more than half of the capital,

unless they are agreements on current transactions executed under normal conditions.

1.4. Compensation policy

1.4.1. General principle of the compensation policy

Crédit Agricole CIB has established a responsible compensation policy that aims to reflect its values while respecting the interests of all the stakeholders, including employees, clients and shareholders.

In light of the specific characteristics of its business lines, its legal entities and national and international legislation, Crédit Agricole CIB has developed a compensation policy which is internally consistent, gender neutral and externally competitive on its reference markets, to ensure the bank can attract and retain the talents it needs. Benchmarking with other financial institutions is regularly carried out for this purpose.

Compensation awards, particularly variable ones, aim to reward individual and group performance over time while promoting sound and effective risk management.

This Compensation Policy aims to reward employees fairly and appropriately for their contribution towards the success of the business and the level of service and performance delivered to the clients of Crédit Agricole CIB. Therefore, the Compensation Policy is designed to avoid conflicts of interest in accordance and, in particular, to ensure that employees do not favour their own or Crédit Agricole CIB's interests to the detriment of the best interests of the clients. The compensation policy of Crédit Agricole CIB promotes sound risk management in compliance with the bank's risk appetite statement and framework.

In accordance with the EBA Guidelines on compensation policy[1], the compensation policy and its implementation are based on the principle of equal pay between male and female employees for the equal work or work of equal value.

In particular, the compensation policy may be based on:

- appropriate documentation of the value of the position;
- documentation of job titles or wage categories for all staff members or categories of staff;
- the correct determination of the jobs considered to be of equal value;
- the correct implementation of the job classification system (taking into account at least the types of activities, tasks and functions assigned to the position or the staff member, based on identical criteria for all employees, regardless of gender and to be defined in such a way as to exclude discrimination, including gender-based discrimination);
- the definition of additional aspects taken into account when determining staff compensation (place of assignment, training requirements, hierarchical level, level of education, scarcity, nature of the contract, length of experience, certifications, complementary benefits).

The compensation policy of Crédit Agricole CIB is elaborated within a highly regulated framework specific to the banking sector. As a fundamental principle, Crédit Agricole CIB ensures compliance of its compensation policy with the current legal and regulatory environment at national, European and international levels, notably incorporating provisions of the following regulations:

- Directive 2019/878 of the European Parliament and of the Council of 20 May 2019, transposed into the French Monetary and Financial Code by Ordinance No. 2020-1635 of 21 December 2020 (hereinafter "CRD V");
- Law No. 2013-672 of 26 July 2013 on separation and regulation of banking activities (hereinafter the "French Banking Law");
- the rule enacted by Section 13 of the Bank Holding Company Act, implementing Section 619 of the Dodd–Frank Wall Street Reform and Consumer Protection Act (hereinafter the "Volcker Rule");
- Directive 2014/65/UE of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and Regulation 600-2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, transposed into the Monetary and Financial Code by Ordinance No. 2016-827 of 23 June 2016 and Regulation 2017/565 of 25 April 2016 of the European Commission (hereinafter "MiFID II").

Crédit Agricole CIB also incorporates the provisions of the Volcker Rule, the Banking and Financial Separation Act, the MiFID Directive and the European Sustainable Finance Disclosure Regulation (SFDR) on the consideration and integration of sustainability risks, as well as the management of climate and environmental risks. The

(1) GL/EBA/2021/04

integration of sustainability issues into the compensation policy contributes to meeting the regulatory requirements as set out in Article 5 of European Regulation 2019/2088 on sustainability-related disclosures in the financial services sector. Thus, Crédit Agricole CIB's compensation policy does not encourage excessive sustainability risk in investment advisory activities and takes into account the risk-adjusted performance, as well as the voluntary commitments of Crédit Agricole CIB in terms of sustainability issues, listed in the Climate and Environment Strategy and Portfolios Committee (CSP) of 22 November 2023. Therefore, Crédit Agricole CIB's compensation policy does not favour advice on financial products that would be detrimental to the protection and primacy of clients' interests. Instead, it favours a long-term approach to climate and environmental risk management, in line with Crédit Agricole CIB's risk appetite and strategy.

The Crédit Agricole CIB compensation policy may be adapted locally to comply with requirements of regulations in countries where entities of Crédit Agricole CIB are established, if the local requirements are more stringent than those of the policy of Crédit Agricole CIB. Where applicable, adjustments need to be discussed between Head of the entity (subsidiary, branch or representative office), control functions, entity Head of HR and the HR team of Crédit Agricole CIB.

This compensation policy was approved by the Crédit Agricole CIB Board of Directors' meeting of 6 February 2024.

1.4.2. Total compensation

The total compensation of Crédit Agricole CIB group's employees is made up of the following components:

- fixed compensation;
- annual variable individual compensation;
- collective variable compensation;
- long-term variable compensation;
- supplementary pension and health insurance plans;
- benefits in kind.

An employee may be eligible for all or some of these elements, depending on their responsibilities, skills, performance and location.

Attribution of compensation elements is based on internal equity and on external market references and also takes into account collective and individual qualitative and quantitative performance.

The qualitative aspect of performance includes notably the evaluation done by the control functions; in case of an incident related to compliance with rules and procedures and risk limits, the attribution of remuneration elements takes it into account. The impact on remuneration in case of conduct risk is reviewed and validated on annual basis by the General Direction.

A - FIXED COMPENSATION

Fixed compensation rewards employees for the responsibilities entrusted to them, as well as for the competencies used to exercise these responsibilities, in a manner that is consistent with the specificities of each business line in their local market.

These responsibilities are defined by a remit and contributions, a level within the organization and expected skills and experience.

Fixed compensation is set at a sufficient level to allow for variable compensation not to be paid in the case of underperformance.

Employees' fixed compensation is revised according to changes in their responsibilities and their proficiency in their role, which is assessed through the annual performance appraisal on the basis of the fulfilment of objectives and contributions to the role.

When an employee is given a new role, the change in responsibilities is taken into account when determining the fixed compensation.

Fixed compensation includes the base salary and any other element of stable, recurring compensation that is independent of any performance.

B- ANNUAL INDIVIDUAL VARIABLE COMPENSATION

Variable compensation is directly linked to individual and collective annual performance. Individual performance is assessed based on the achievement of qualitative and quantitative objectives defined at the beginning of each performance year and includes an assessment of whether the employee acted in the clients' best interests. More generally, compliance with internal rules and procedures and with the applicable legislation is a key factor of assessment of the employee's performance.

Collective performance is based on the determination of a firmwide envelope which is then broken down by business line. This envelope is defined in a way which does not limit the capacity of Crédit Agricole CIB to strengthen its equity capital as required. It takes into account all risks, including liquidity risk, cost of capital, in line with regulatory principles.

Variable compensation includes bonus, as well as of any other individual compensation component linked to performance, including guaranteed variable compensation.

◆ 1 - Definition of variable envelopes

In order to define its global variable compensation envelope, Crédit Agricole CIB uses an approach, which is based on the analysis of performance and of risks, control objectives and financial situation, including maintaining a sound capital base and liquidity.

The variable remuneration envelope is defined taking into account all the performance and risks indicators, including:

- net banking income (NBI);
- direct and indirect expenses;
- cost of risk;
- cost of capital.

The Contribution is defined by the following formula, based on standard accounting definitions: NBI – direct and indirect expenses excluding bonuses and Single Resolution Fund (SRF) – cost of risk – cost of capital before taxes.

- NBI is calculated net of liquidity cost,
- the cost of risk is understood to be the provisions for default,
- the cost of capital, allowing to take into account the return on equity specific to a business line, is calculated by applying the following formula: risk-weighted assets (RWA) X supply rate of capital (Tier 1 ratio target) X ß (the coefficient that measures the market risk of a business line and that allows for an adjustment of the Tier 1 ratio according to the capital requirement that is linked to the business line).

The Payout ratio corresponds to the ratio between the variable compensation envelope and the amount of Contribution.

The global envelope defined as above is then split between business lines, control and support functions of Crédit Agricole CIB, depending on criteria relevant for each function or team, defined and documented in a detailed manner and linked to:

- quantitative performance, including creation and development of long-term competitive advantage for the Group;
- management of underlying risks;
- qualitative performance of a business line or function;
- situation on the external market.

3

For each performance year: Crédit Agricole CIB verifies that attribution of variable compensation is compatible with maintaining a sound capital base and that the bank meets the combined buffer requirement (Art.141 p.2 of the European Directive 2013/36/UE of 26 June 2013).

2 - Individual bonus award

Individual bonuses are awarded within envelopes attributed by business line or support function; individual attribution by employee is discretionary and decided by the management, taking into account a global evaluation of individual and collective performance, both quantitative and qualitative.

To avoid a situation of a conflict of interest, or failure of an employee to take into account the interests of a client, there exists no direct and automatic link between the commercial and financial results of an employee and their variable compensation.

Individual attribution of variable compensation takes into account eventual cases of non-compliance with rules and procedures and risk limits, as identified within the framework of Conduct risk evaluation process in place in Crédit Agricole CIB.

In certain cases, other elements of variable compensation may be awarded in addition to the individual bonus, as is the case for Senior Executives.

3 - Guaranteed variable compensation

Guaranteed variable remuneration is exceptional and can only be attributed if the bank has a sound and strong capital base. The amount of variable compensation may be guaranteed in the context of external recruitment or a retention. Guaranteed variable compensation can take the form of guaranteed bonus, sign-on bonus, or retention bonus.

In the context of external recruitment, variable remuneration guarantee cannot be extended for longer than the first year of employment.

Retention bonuses may be awarded for a pre-determined period and under specific circumstances (such as restructuring, closure or transfer of activity).

Attribution of guaranteed variable remuneration is subject to the payment conditions applicable for the performance year and may entail deferral of a part of the remuneration.

4 - Buy-out of deferred variable compensation

In case of an external recruitment, Crédit Agricole CIB may compensate the loss of unvested deferred variable attributed by the previous employer and forfeited following a termination of the labour contract.

The bank may grant a buy-out of deferred compensation provided that it a sound and strong capital base.

All the conditions applicable to variable compensation also apply to buy-outs of deferred compensation, i.e. deferred compensation, allocation in the form of financial instruments, presence and performance conditions, malus and clawback, as described in the Plan Rules.

5 - Ratio between fixed and variable compensation

For the staff identified as regulated in the sense of Directive 2019/878/UE of the European Parliament and the Council of 20 May 2019, the maximum attributable variable remuneration for the performance year is equal to the employee's fixed compensation. The maximum ratio may be increased to 200% of the fixed compensation by the decision of the General Shareholders Meeting.

In alignment with the regulated staff, the variable of all other employees of Crédit Agricole CIB is limited at twice the amount of their fixed compensation.

6 - Payment of the variable remuneration

In order to align the interests of all employees of Crédit Agricole CIB with the bank's long-term objectives and to ensure sound and prudent risk management, a part of the variable compensation of all employees of Crédit Agricole CIB is deferred over time, if above a threshold.

(i) The rules and conditions for payment of the variable compensation of the regulated staff are described in Chapter III of the Policy.

(ii) For non-regulated staff, the variable remuneration is split into vested part and part deferred over three years.

The deferred part vests by equal instalments each year: 1/3 in year Y+1, 1/3 in year Y+2 and 1/3 in year Y +3 where the performance year is Y, provided the vesting conditions are met:

- performance condition;
- presence condition;
- compliance with internal rules and risk limits.
- the deferred variable compensation is attributed in the form of cash, 50% of which is indexed at the share price of Crédit Agricole S.A.

(iii) If, within five years after payment of the variable compensation, it is discovered that an employee: (i) participated in, or was responsible for, or contributed to a significant loss for Crédit Agricole or its clients; or (ii) was responsible of a significant breach of internal or external rules or procedures, Crédit Agricole CIB reserves the right to demand repayment or 'clawback' of all or part of the amounts paid, subject to enforceability under applicable local law.

(iv) The employees of Crédit Agricole CIB are not authorised to transfer the downside risks of variable remuneration to another party through hedging or any type of insurance to undermine the risk alignment effects embedded in their remuneration arrangements.

7 - Variable compensation of employees whose activities are subject to a mandate (French Banking Law, Volcker rule, etc.)

Variable compensation is awarded so as not to reward or encourage prohibited trading activities, but may reward the generation of revenue or the supply of services to clients. Any award must comply with internal policies and procedures, including but not limited to the Volcker rule compliance manual.

Individual performance bonuses are based on a number of factors including, but not limited to an assessment of the attainment of pre-defined individual and collective targets, which are set for employees in strict compliance with the terms of the mandate they manage.

Quarterly controls performed by the Risk and Permanent Control Division and the Global Market Division are used to verify the correct application of the mandates.

During the annual appraisal, managers assess employees' performance based on objectives set in the beginning of the performance year, including compliance with trading mandates. The appraisal takes into account cases of breach of internal rules and procedures and in particular non-compliance with mandates.

8 - Remuneration of employees participating in providing services to clients

The remuneration policy of employees involved in the provision of services to clients aims to encourage responsible business conduct, fair treatment of clients as well as to avoid conflict of interest in the relationships with clients. Notably, the annual performance appraisal and/or the remuneration awarded to employees take into account the opinion of the control functions, in case of an incident related to provision of services to clients.

◆ 9 - Variable compensation of the control functions

In order to prevent potential conflict of interests, the compensation of the control functions is defined independently of the compensation of the employees of the business lines for which they validate or review the operations. The objectives set for the control functions and the budgets used to determine their variable compensation must not take into account the criteria related to the results and economic performance of the business area that they control. Their variable compensation envelope is defined according to market practices.

The Crédit Agricole CIB Compensation Committee, as part of its remit, ensures compliance with the principles for determining the compensation of the risk and compliance managers.

C - COLLECTIVE VARIABLE COMPENSATION

Crédit Agricole CIB has been implementing for many years a policy aiming to involve the employees collectively in the results and the performance of the bank. For this purpose, a collective variable compensation system (discretionary and mandatory profit sharing) was set up in France. Similar arrangements aiming to share the bank results with all members of staff may be also set up in the international entities.

D - LONG-TERM VARIABLE COMPENSATION

This variable compensation component federates, motivates and increases loyalty. It complements the annual variable compensation mechanism by rewarding the long-term collective performance of the Group.

It consists of several systems that are differentiated according to the level of responsibility in the organization:

- "employee" shareholding, which is open to all employees subject to conditions defined by the Board of Directors of Crédit Agricole S.A.;
- long-term compensation in share-linked cash and/or cash subject to performance conditions based on economic, financial and social criteria defined in line with the long-term strategy of the Crédit Agricole Group. It is reserved for Group senior and key executives.

E - PENSION AND HEALTH INSURANCE PLANS

Depending on the country and the relevant market practices, Crédit Agricole CIB undertakes to provide its employees with social security coverage that is designed to:

- assist with setting up retirement income or savings;
- provide a reasonable level of social security coverage for employees and their family.

These benefits are annexes parts of the remuneration packages, put in place for all employees of Crédit Agricole CIB including its international entities. Benefits are subject to collective agreements, complementing the mandatory regimes, specific to each country where a Crédit Agricole CIB entity is located.

F - BENEFITS IN KIND

In certain cases, the total compensation also includes benefits in kind. This includes notably:

- providing a company car depending on the employee's level of responsibility;
- benefits designed to cover the difference in the cost of living for expatriate populations.

Depending on country, these benefits may be complemented by other arrangements designed to provide a simulating working environment and ensure a healthy work-life balance.

1.4.3. Governance of compensation policy

Crédit Agricole CIB compensation policy is reviewed annually by the Executive Management, following a proposal by the Human Resources Division and in accordance with the main guidelines of the Crédit Agricole Group compensation policy. This policy is also reviewed by the Control Functions. The compensation policy is approved by the Board of Directors, on the basis of a recommendation by the Compensation Committee.

In compliance with the principles of the Group policy, the Human Resources Division associates the control functions with the consideration of the risks in the compensation management, notably in identifying the regulated population, compliance with the regulatory norms and the control of the conduct risk. In addition, as for all the support functions, the variable compensation envelopes of the control functions are defined on the basis of objectives specific for the control functions and independent of the results of the business areas they control.

The implementation of the compensation policy is subject to annual control of the Group Internal audit.

1.4.4. Remuneration of identified staff

In line with the regulations applicable to the credit institutions and investment firms and in consistency with the general principles of the Group, Crédit Agricole CIB identifies its risk takers, i.e. employees whose professional activities have a significant impact on the risk profile of Crédit Agricole CIB.

The identification of risk takers at the level of Crédit Agricole CIB is compliant with Article 92 of Directive 2013/36/EU of the European Parliament and the Council of 26 June 2013, amended by Directive (EU) 2019/878 of 20 May 2019 (hereafter referred to as "CRD V"). In the countries where national regulators enforce similar requirements, based on the Guidelines of the Financial Stability Board, the entities of Crédit Agricole CIB also apply the local remuneration requirements.

The remuneration policy applicable to risk takers aims to promote sound and efficient risk management and does not encourage risk-taking above the limit which is considered acceptable for the bank.

A - SCOPE OF APPLICATION

The identification of employees considered as risk takers in the sense of CRD V Directive is a joint process between Crédit Agricole CIB and Crédit Agricole S.A. and between the Human Resources department and the control functions of Crédit Agricole CIB. This process is subject to annual review.

In Crédit Agricole CIB, in application of Delegated Regulation of the European Commission (EU) 2021/923 of 25 March 2021, the following categories of personnel are considered identified:

- members of the Management body and senior management;
- employees with managerial responsibility over the control functions or material business units;
- heads of key business lines;
- heads of key support functions;
- employees with authority to take decisions on significant credit risk exposures or trading book transactions;
- President and permanent members of New Activities / New products Committee;
- employees entitled to significant remuneration for the preceding performance year;

- any other employee considered as having a significant impact on the risk profile of Crédit Agricole CIB, as identified by Risk and Permanent Control, Compliance and Human Resources divisions and validated by the senior management.

In addition, employees may be identified as risk takers at the level of a local entity, as defined by the relevant local legislation.

B - COMPENSATION POLICY FOR RISK-TAKERS

The compensation policy for the risk takers aims to promote sound risk management and to involve the employees in the mid- and long-term performance of Crédit Agricole CIB.

In compliance with the regulatory requirements, the compensation policy has the following characteristics:

(i) the total amount of variable compensation is defined taking into account the performance of the employee and of the operation unit as well as the performance of the bank as a whole, based on both financial and non-financial performance criteria;

(ii) in the same way as for all staff, the amounts of variable compensation and their distribution do not limit the bank's ability to strengthen its equity capital as required;

(iii) the variable compensation cannot be above 100% of the fixed compensation. The Shareholders Meeting can approve a higher maximum ratio, provided that the total variable component does not exceed 200% of each employee's fixed compensation. The Shareholders Meeting of Crédit Agricole CIB of May 4th 2020 voted a resolution establishing the maximum ratio between the variable and fixed compensation at 200% for the remuneration attributed for 2020 onwards, until a new decision is voted by the Shareholders Meeting;

(iv) when variable compensation is above 50,000 EUR or above 1/3 of total compensation, a part of it representing 40% to 60% is deferred over 4 to 5 years and is vested on pro-rata basis in equal instalments, the vesting being subject to performance, presence and risk management conditions. If a national competent authority imposes stricter proportionality criteria, the stricter rules apply to the risk takers within the scope of the national regulation;

(v) 50% of the variable compensation is attributed in the form of financial instruments (indexed on the share of Crédit Agricole S.A.). The attribution of 50% in the form of instruments applies both to the vested part and to each instalment of the deferred part of variable compensation;

Vesting of variable compensation attributed in the form of financial instruments is followed by a retention period of six months. It is prohibited for the employees to hedge or use any form of insurance which could undermine the risk alignment effects embedded in the compensation arrangements;

(vi) if during the five years following the payment of a deferral instalment, the bank discovers that the employee: (i) is responsible for or contributed to actions that led to significant losses for Crédit Agricole CIB or its clients, or (ii) committed a breach of internal or external rules and procedures, Crédit Agricole CIB reserves the right, subject to feasibility under the applicable local labour legislation, to claw back all or part of the amount already paid to the employee.

1.4.5. Remuneration of Senior management

The compensation policy applicable to Crédit Agricole CIB's executive directors is part of the compensation policy for Crédit Agricole S.A. senior management.

A - GENERAL PRINCIPLES

The compensation policy for the members of Crédit Agricole CIB Executive Management is approved by the Board of Directors on the basis of a proposal by the Compensation Committee. This policy is reviewed annually by the Board of Directors in order to take into account changes in the regulatory environment and external market context.

It is consistent with the compensation policy for the senior executives of Crédit Agricole Group. This principle allows to bring the Group's senior management together around common and shared criteria.

In addition, the compensation of members of Crédit Agricole CIB Executive Management is compliant with:

- the regulatory framework defined by the Monetary and Financial Code and the Ordinance of 3 November 2014 on internal control in credit institutions and investment firms, which transposes into French law the European provisions on the compensation of identified staff, which includes executive directors;
- the recommendations and principles of the Corporate Governance Code for listed companies (the AFEP/MEDEF Code).

The Board of Directors reviews annually the compensation components for members of the Executive Management, following a proposal of the Compensation Committee, with the principal objective of recognizing long-term performance.

B - FIXED COMPENSATION

Based on a proposal of the Crédit Agricole CIB Compensation Committee, the Board of Directors establishes the fixed compensation of the members of Crédit Agricole CIB Executive Management, taking into account:

- the scope of activities supervised;
- market practices and compensation level for similar roles. At the Group level, surveys are conducted annually with the assistance of specialised firms regarding the positioning of the compensation of the bank's executive directors compared to other firms in the financial sector in order to ensure the consistency of the compensation principles and levels.

In accordance with the recommendations of the AFEP/MEDEF Code (Section 23.2.2), the fixed compensation of executive directors is reviewed only at fairly lengthy intervals, unless a change in a person's scope of supervision justifies a review of their fixed compensation.

When a new Executive Corporate Officer is appointed, his or her compensation will be determined by the Board of Directors, either in accordance with the principles and criteria approved by the General Meeting or in accordance with the existing practices for officers exercising similar functions, adapted where applicable when the person takes up new functions or a new office with no equivalent in respect of the preceding period.

C - VARIABLE COMPENSATION

1 - Annual variable compensation

Each year, the Board of Directors, on a proposal from the Compensation Committee, determines the amount of variable compensation due for the fiscal year ended 31 December of the previous year for each corporate officers.

The variable compensation policy for the members of the Executive Management is specifically aimed at:

- linking compensation levels with actual long-term performance;
- linking the interests of the management with those of the Group by including financial and non-financial performance.

For each member of Executive Management, 50% of the performance bonus is based on financial criteria and 50% on non-financial criteria, thereby combining recognition of overall performance with a balance between financial and managerial performance. The Board of Directors reviews and, if appropriate, approves the financial and non-financial criteria proposed by the Compensation Committee.

Performance bonus may reach the target level if all the financial and non-financial objectives are achieved and may reach the maximum level in case of exceptional performance. The target and maximum levels are expressed as a percentage of the fixed salary and are defined by the Board of Directors for each member of Crédit Agricole CIB Executive Management.

A Long Term Incentive for Group Crédit Agricole S.A. senior executives may complement the performance bonus, to support a sustainable performance beyond financial results and strengthen the link between performance and compensation, notably including societal impact. The LTI is granted based on managerial assessment and is included in the global variable compensation subject to the approval by the Board of Directors.

In accordance with the AFEP/MEDEF Code (paragraph 23.2.3), variable compensation is capped and may not exceed the maximum levels established by this Compensation Policy.

2 - Vesting conditions of the annual variable compensation

The deferred portion of the annual variable compensation, which may represent 40 to 60% of the total, is awarded in the form of instruments backed by the Crédit Agricole S.A. share price, the award of which is contingent on the achievement of three performance objectives: one linked to performance, a second to the presence within the Group and a third to the absence of risky behaviour.

The performance condition in the Crédit Agricole CIB deferred plan is linked to the attainment of a Net Income target by Crédit Agricole CIB.

The performance condition in the long-term incentive plan for Senior Executives of Crédit Agricole S.A. and its subsidiaries itself is based on three targets:

1. the intrinsic economic performance of Crédit Agricole S.A.,
2. the stock market performance of the Crédit Agricole S.A.,
3. the societal and environmental performance of Crédit Agricole S.A.

If the performance conditions are met or exceeded at the end of the vesting period, up to 120% of the awarded shares will vest.

The non-deferred portion of the total annual variable compensation, which can represent 40% to 60%, is paid in part at the award date (in March) and in part after a six-months retention period, this latter part being indexed to the price of Crédit Agricole S.A. share.

D - STOCK OPTIONS - FREE SHARES GRANTED

No Crédit Agricole S.A. stock options were granted to Executive Corporate Officers by Crédit Agricole CIB.

E - OTHER COMMITMENTS

1 - Retirement

Some corporate officers benefit from one of the supplementary pension plans below. For those who benefit from it, the advantage was subject to the procedure governing related-parties agreements.

- a closed supplementary pension plan (before 2014). Entitlements under this differential defined benefit plan are only vested when beneficiaries end their career with Crédit Agricole CIB and are expressed as a percentage of the reference salary (i.e. the calculation base), which is equal to the annual average of the basic fixed annual remuneration paid over the five highest years, recalculated using Social Security revaluation coefficients. The differential paid under the plan is capped at 1% of the reference pay per year of seniority, with a maximum of 25%. This defined-benefit pension plan is subject to management outsourced to a body governed by the French Insurance Code. The outsourced assets are funded as necessary by premiums fully funded by the employer and subject to the 24% contribution provided for in Article L. 137-11 of the French Social Security Code.
- a supplementary pension scheme for senior employees of the Crédit Agricole Group, which Crédit Agricole CIB has not joined. Crédit Agricole S.A. joined this plan in January 2010 with the introduction of its pension rules adopted by collective bargaining agreement in accordance with Article L. 911-1 of the French Social Security Code.

In accordance with the Order of 3 July 2019, the entitlements under this defined-benefit pension plan were crystallised as of 31 December 2019. No additional entitlements will be granted for employment periods after 1 January 2020 and the benefit of these entitlements will remain uncertain and subject to continued employment.

From 2010 to 2019, the supplementary pension plan consisted of a combination of defined-contribution pension plans and a supplementary defined-benefit plan:

- contributions to the defined-contribution plan equal 8% of the gross monthly salary capped at eight times the social security cap (of which 3% paid by the Executive Corporate Officer);
- the entitlements under the supplementary defined-benefit plan, which are determined minus the annuity built up under the defined-contribution plans.

The reference remuneration is defined as the average of the three highest gross annual compensation amounts received during the last 10 years of activity within Crédit Agricole entities, including both fixed compensation and variable compensation, the latter being taken into account up to a cap on fixed compensation.

In any case, on liquidation, the total pension income is capped, for all company pension plans and basic and additional obligatory plans, at 70% of the reference compensation, by application of the supplementary pension rules for Senior Executives of Crédit Agricole S.A.

This supplementary defined-benefit pension plan meets the recommendations of the AFEP/MEDEF Code and the former provisions of Article L. 225-42-1 of the French Commercial Code, which, for the periods in question, limited the rate of vesting of defined-benefit plan entitlements to 3% per year (text repealed by Order No. 2019-1234 of 27 November 2019):

- the group of potential beneficiaries was substantially broader than Executive Corporate Officers alone;
- minimum length of service: five years (the AFEP/MEDEF Code requires only two years of service);
- entitlement vesting rate of 1.2% of the reference pay per year of service;
- estimated supplementary pension below the AFEP-MEDEF cap of 45% of the fixed and variable compensation due in respect of the reference period;
- obligation for the beneficiary to be a Corporate Officer or an employee when exercising their pension entitlements.

This defined-benefit pension plan is subject to management outsourced to a body governed by the French Insurance Code.

The outsourced assets are funded by annual premiums fully funded by the employer and subject to the 24% contribution provided for in Article L. 137-11 of the French Social Security Code.

2 – Severance pay

No severance pay due or likely to be due in the event of termination or change of function is expected for the corporate officers by Crédit Agricole CIB. Otherwise, that will be the subject of the regulated conventions procedure.

3 – Non-compete clause

There are no plans for non-compete clauses for Executive Corporate Officers by Crédit Agricole CIB.

Otherwise, these would be subject to a regulated agreements procedure.

F - OTHER BENEFITS OF THE EXECUTIVE CORPORATE OFFICERS

Executive Corporate Officers benefit from health cover, life and disability cover and a car benefit. Unemployment cover is also in place for two of the Chief Executive Officers.

No other benefits are awarded to Executive Corporate Officers.

1.4.6. Compensation paid to members of the Board of Directors of Crédit Agricole CIB, in accordance with Article L. 225-45 of the French Commercial Code

TOTAL COMPENSATION BUDGET FOR MEMBERS OF THE BOARD OF DIRECTORS FOR 2023

The Ordinary General Meeting of Shareholders of Crédit Agricole Corporate and Investment Bank set a maximum total annual compensation budget of €700,000.

The Board of Directors does not grant any exceptional compensation for assignments or offices entrusted to directors (Article L. 225-46 of the French Commercial Code).

RULES GOVERNING THE DISTRIBUTION OF COMPENSATION TO THE BOARD OF DIRECTORS IN 2023

The compensation distribution criteria are mainly based on compensation for effective participation in meetings and availability for certain assignments.

Meetings of the Board of Directors

A gross amount of €3,000 per meeting is allocated to each Board member for attending meetings. An additional annual flat gross amount of €20,000 is allocated to the Chairman of the Board.

Advisory members of the board receive the same compensation as Directors, which is paid out of the overall budget.

Meetings of the Board of Directors' Specialised Committees

The rules on the distribution of compensation that were in force in 2023 are described in the table below.

	Chairman	Member
Compensation Committee	Annual flat rate: €6,000	Annual flat rate: €4,500
Appointments and Governance Committee	Annual flat rate: €4,500	Annual flat rate: €4,500
Audit Committee	Annual flat rate: €25,000	€3,300 per meeting with an annual cap of €23,500
Risk Committee	Annual flat rate: €30,000	€3,300 per meeting with an annual cap of €23,500

1.5. Summary of the recommendations of the AFEP/MEDEF Code on the governance and performance of the Board of Directors that were not followed and why

At 31 December 2023

Background information:

- Crédit Agricole CIB is 100%-owned by the Crédit Agricole Group (Crédit Agricole S.A. owns 97.33% of Crédit Agricole CIB's shares).
- Crédit Agricole CIB's governance is therefore in line with that of the Crédit Agricole Group.

The composition of the Board of Directors and its Committees reflects the corporate governance system, under which Board positions in certain Group subsidiaries are assigned to the Chairmen or Chief Executive Officers of the Crédit Agricole Group's Regional Banks.

AFEP/MEDEF Code Recommendations	Comments
21. **ETHICS OF THE DIRECTOR** Directors must hold shares on their own behalf and own a minimum number of shares, which is significant with respect to the compensation awarded to them.	Crédit Agricole CIB's shares are not offered to the public and are not listed for trading on a regulated market. The Crédit Agricole Group holds 100% of the capital. In addition, since Act 2008-776 of 4 August 2008, the directors of public limited companies are no longer required by law to hold shares. However, Article L.225-25 of the French Commercial Code allows the Articles of Association to impose a minimum shareholding requirement, although Crédit Agricole CIB's Articles of Association do not impose such a requirement.
24. **OBLIGATION OF THE EXECUTIVE CORPORATE OFFICERS TO HOLD SHARES.** The Board of Directors sets a minimum number of shares that Executive Corporate Officers must keep in registered form until the end of their appointments. This decision will be reviewed at least with each reappointment.	Crédit Agricole CIB's shares are not offered to the public and are not listed for trading on a regulated market. The Crédit Agricole Group holds 100% of the capital. In addition, since Act 2008-776 of 4 August 2008, the directors of public limited companies are no longer required by law to hold shares. However, Article L.225-25 of the French Commercial Code allows the Articles of Association to impose a minimum shareholding requirement, although Crédit Agricole CIB's Articles of Association do not impose such a requirement.

1.6. Procedures for shareholder attendance at the General Meeting

The procedures for participating in General Meetings of Shareholders are set out in section V of Crédit Agricole CIB's Articles of Association (see Section 8 of the Universal Registration Document). The composition, performance and main powers of the General Meeting, and a description of the rights of shareholders and the procedures for exercising these rights, are detailed in the following articles of Crédit Agricole CIB's Articles of Association: "Art. 19 - Composition - Types of Meetings", "Art. 20 - Meetings", "Art. 21 - Ordinary General Meetings" and "Art. 22 - Extraordinary General Meetings".

1.7. Structure of Crédit Agricole CIB's share capital and other information provided for in Article L.22-10-11 of the French Commercial Code

Structure of Crédit Agricole CIB's share capital	At 31 December 2023, Crédit Agricole's share capital consisted of 290,801,346 ordinary shares with a par value of €27 each, giving a share capital of €7,851,636,342. The shares are 97.33% owned by Crédit Agricole S.A. and 100% owned by the Crédit Agricole Group. Crédit Agricole CIB's shares have not been offered to the public and are not listed for trading on a regulated market.
Control mechanisms provided for in a possible staff shareholding system, when the control rights are not exercised by the latter	There are no employee shareholding schemes at Crédit Agricole CIB and no securities holders with special control or voting rights.
Shareholder agreements to the knowledge of Crédit Agricole CIB that may result in restrictions on the transfer of shares or the exercise of voting rights	To Crédit Agricole CIB's knowledge, there are no agreements.
Agreements providing for indemnities for members of the Board of Directors or employees, if they resign or are dismissed without real and serious cause or if their employment ends due to a takeover or exchange offer	There is no agreement.
Powers of the Board of Directors	Description in section 1.2.2.
Amendment of the Crédit Agricole CIB's Articles of Association	Submitted to the Extraordinary General Meeting (art. 22 of the Articles of Association - see Chapter 8 in this Universal Registration Document).
Rules applicable to the appointment and replacement of members of the Board of Directors	Governed by the provisions of the Articles of Association (art. 9 of Articles of Association - see Chapter 8 in this Universal Registration Document).
Issue or redemption of shares	The terms and conditions for selling Crédit Agricole CIB's shares are governed by the provisions of the Articles of Association (art. 7 of the Articles of Association - see Chapter 8 in this Universal Registration Document).

1.8. Information on delegations for capital increases

At 31 December 2023, no delegations had been granted by the General Meeting to the Board of Directors for capital increases.

The Board of Directors

2. COMPOSITION OF THE EXECUTIVE COMMITTEE AND THE MANAGEMENT COMMITTEE

THE COMPOSITION OF THE CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK'S EXECUTIVE COMMITTEE AT 31 DECEMBER 2023 WAS AS FOLLOWS:

▪ Xavier MUSCA	Chief Executive Officer
▪ Jean-François BALAŸ	Deputy Chief Executive Officer
▪ Olivier BÉLORGEY	Deputy Chief Executive Officer
▪ Pierre GAY	Deputy Chief Executive Officer
▪ Pierre DULON	Deputy General Manager - Global IT and OPC - Operations, Premises & Countries COOs
▪ Didier GAFFINEL	Deputy General Manager - Global Coverage and Investment Banking
▪ Natacha GALLOU	Deputy General Manager - Risk & Permanent Control
▪ Anne-Catherine ROPERS	Deputy General Manager - Human Resources
▪ Jean-François DEROCHE	SRO Asia-Pacific
▪ Stéphane DUCROIZET	SRO Americas
▪ Georg ORSSICH	SRO Europe (excluding France) and Senior Country Officer for the Iberian Peninsula

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AT 31 DECEMBER 2023, THE MANAGEMENT COMMITTEE CONSISTED OF THE EXECUTIVE COMMITTEE AND:

▪ Hatem MASMOUDI	SRO Middle East & Africa
▪ Frank SCHÖNHERR	SCO Germany
▪ Jamie MABILAT	SCO Italy
▪ Hubert REYNIER	SCO UK
▪ Laurent CHENAIN	Corporate & Leverage Finance
▪ Julian HARRIS	Debt Restructuring & Advisory Services
▪ Fabrice SCHWARTZ	Distribution & Asset Rotation
▪ Danielle BARON	Energy & Real Assets
▪ Frédéric BAUDOIN	Finance & Procurement
▪ Anne GIRARD	Global Compliance
▪ Séverine MOULLET	Global Coverage & Investment Banking – Coverage France
▪ Nicolas CHAPIN	Global Coverage and Investment Banking - Global Coverage Organisation
▪ Laurent CAPES	Global Coverage and Investment Banking - Global Investment Banking
▪ Octavio LIEVANO	Global Coverage & Investment Banking - Multinational Corporates
▪ Tanguy CLAQUIN	Global Coverage & Investment Banking - Sustainable Banking
▪ Arnaud D'INTIGNANO	Global Markets Division - Capital Markets Funding
▪ François RAMEAU	General Inspection
▪ Yves-Marie GAYET	International Trade & Transaction Banking
▪ Pierre-Yves BOLLARD	IT & Operating Services - Global IT
▪ Éric LECHAUDEL	IT & Operating Services - Operations, Premises & Country COOs
▪ Bruno FONTAINE	Legal
▪ Didier REBOUL	Midcap Division – Crédit Agricole Group

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2023 BUSINESS REVIEW AND FINANCIAL INFORMATION

4

CONTENTS

€7.3 B

NET BANKING INCOME

N°2

WORLDWIDE IN ALL BONDS EUR (1)

(1) Source: Refinitiv N1.

N°3

IN EMEA IN SYNDICATED FINANCE ACTIVITIES (1)

(1) Bookrunner
Source Refinitiv R17.

€135 B

ASSETS UNDER MANAGEMENT (WEALTH MANAGEMENT)

WEALTH MANAGEMENT

€1,023 M

FINANCING ACTIVITIES

€3,296 M

CAPITAL MARKETS AND INVESTMENT BANKING

€3,038 M

UNDERLYING NBI BY BUSINESS LINE IN 2023, IN € MILLIONS

1. CRÉDIT AGRICOLE CIB GROUP'S BUSINESS REVIEW AND FINANCIAL INFORMATION

1.1. Overview of Crédit Agricole CIB group's financial statements

Changes to accounting policies

Changes to accounting policies and principles are described in Note 1 to the consolidated financial statements for the year ended 31 December 2023 in Chapter 6 of this Universal Registration Document.

Changes in consolidation scope

The main changes in scope between 1st January 2023 and 31 December 2023 were as follows:

COMPANIES FIRST TIME CONSOLIDATED IN 2023

The following entity entered the scope of consolidation:

- Branch: Crédit Agricole CIB (Denmark).

COMPANIES DECONSOLIDATED IN 2023

The following entity was deconsolidated:

- CACIB Pension Company Limited Partnership.

1.2. Economic and financial environment

2023 Retrospective

In 2023, the advanced economies showed unexpected resilience thanks to a range of shock absorbers, used to varying degrees, that included savings accumulated during the Covid pandemic, sound private balance sheets, a tight labour market, investment spurred by public policies and lower sensitivity to interest rate shock. These economies withstood persistently high inflation, severe monetary tightening and a disappointing recovery in China, better than had been expected. They also continued to develop against a global backdrop of major geopolitical uncertainties, such as the ongoing war in Ukraine and the emergence of the Israeli-Palestinian conflict in October.

In the **United States**, in addition to surprisingly solid support from copious savings and the stimulus of President Biden's industrial policy, the key factor to this resilience was lower interest rate sensitivity. While growth continued to slow during the first half of the year (with annualised quarterly variations down to 2.1%), in the second half of the year it proved unexpectedly robust given the monetary tightening. As a result of the recovery in the second and third quarters (4.9% then 3.3% on an annualised quarterly basis), growth in 2023 averaged out at 2.5% (versus 1.9% in 2022). This good result was due to the resilience of consumer services and goods (contributing around one point and one-half point to growth respectively), in turn attributable to a sustained rise in real disposable income (4.2% on average) and a slightly lower savings rate (4% in the last quarter). Growth also got a boost from public spending and net external demand (with contributions to growth of almost 0.7 and 0.6 points respectively), but was hampered by private investment and supplies (resulting in the subtraction of 0.2 and 0.3 points respectively). Thanks to lower energy and food costs, headline inflation continued to decline (3.4% in the 12 months to December 2023 versus 6.5% one year earlier). This was despite a more limited decline in core inflation (3.9% in the 12 months to December 2023 versus 5.7% one year earlier). The Personal Consumption Expenditure index, the gauge used by the Federal Reserve (1), confirmed the disinflation trend, even though core inflation was persisting.

Inflation in the **Eurozone** spiralled in 2022 due to the rise in gas prices linked to the war in Ukraine, but it has since cooled considerably thanks to lower energy costs and a drop in food prices. Headline inflation fell significantly (from 9.2% in December 2022 to 2.9% in December 2023), while core inflation (excluding energy and unprocessed foods) remained more dynamic (up by 3.9% in December 2023 versus 6.9% one year earlier). In December, the biggest contributor to the annual inflation rate was services (around +1.7 percentage points), while energy was a negative contributor (around -0.7 percentage points). Household consumption, hit hard by high inflation, initially stalled growth but then picked up in the second half of the year. In the third quarter, the negligible contribution of investment and net external demand

(1) Published together with the national accounts, the Personal Consumption Expenditure Index measures the prices of goods and services purchased by households. In 2023, it increased by 2.7% in the fourth quarter (over 12 months) and by 3.7% on average (after 6.5% in 2022). Excluding energy and food, the "core PCE" (or underlying) rose by 3.2% in the fourth quarter of 2023 (over 12 months) and by 4.1% on average (after 5.2% in 2023).

coupled with the negative contribution of supplies overshadowed the positive contribution of household consumption. As a result, GDP fell by 0.1% during the quarter but remained relatively flat for the full year. This annual stagnation was the result of difficulties in Germany (-0.4% over the full year), in contrast to a moderate rise in Italy (0.1%) and a more marked increase in France (0.6%) and especially in Spain (1.8%). After a stagnant fourth quarter, the average growth rate for the Eurozone stood at 0.5% in 2023. With regard to France, annual growth amounted to 0.9% in 2023.

The **central banks** have remained on high alert against a backdrop of activity that has been robust in the United States and less depressed than feared in the Eurozone, resilient labour markets and inflation still far from the 2% targets. Disinflation, which had fallen mechanically as a result of the positive base effects of energy and food prices, slowed, raising fears of price-wage spirals and more marked and lasting second-round effects. This led the Federal Reserve and the ECB to further strengthen their stance in combating inflation. Having raised the target range for the federal funds interest rate by 425 basis points in 2022 to 4.25%-to-4.50%, the **Federal Reserve** maintained its monetary tightening, albeit less aggressively (100 basis points, taking the upper bound to 5.50% in July 2023). It also continued the quantitative tightening begun in June 2022 (non-reinvestment of securities reaching maturity). The **ECB** carried on with its own monetary tightening with increases totalling 200 basis points, having raised its key rates by 250 basis points in 2022. This put refinancing and deposit rates at 4.50% and 4% respectively from September 2023 onwards. After expanding its balance sheet (targeted longer-term refinancing transactions or TLTROs, the asset purchase programme or APP, and the pandemic emergency purchase programme or PEPP), the ECB continued its quantitative tightening (end of net asset purchases, TLTRO repayments) with the aim, all things being equal, of absorbing excess liquidity by 2029. The ECB nevertheless decided to continue to reinvest PEPP roll-off until the first half of 2024 – slightly longer than expected – before tapering it down and stopping it altogether at the end of 2024.

With regard to the **bond markets**, 2023 can be roughly divided into three parts. The markets began the year on an overly optimistic scenario that called for strong, sustained recovery in the Chinese economy, rapid normalisation of inflation and the imminent end of monetary tightening. Pressures on bonds (2- and 10-year swap rates) eased overall, despite a severe jolt in March linked to a disruption affecting the US banking system (bankruptcies of three US regional banks that were particularly exposed to new technologies and property). Persistent inflation, higher oil prices (OPEP 's decision to cut production) and ongoing monetary tightening meant that market expectations failed to materialise and interest rates once again started on an upward trajectory before the central banks opted for monetary status quo in September. The hope that the tightening would finally come to an end, or at least ease quickly, fuelled a downward movement in interest rates.

Despite a fall at year-end, US 2-year (4.25% at end-December 2023) and 10-year (3.90%) Treasury yields rose significantly in 2023: at 4.60% and 3.95% respectively, average rates were up by 160 and 100 basis points, accentuating the inversion of the curve for the full year. There was also a massive rise in European Treasury yields. German 2-year and 10-year yields averaged 2.90% and 2.45% respectively (up 215 and 130 basis points). At year-end, the Bund stood at around 2%, a year-on-year decline of almost 40 basis points. Although France's spread stabilised during the year at around 50 basis points above the Bund, spreads in Italy and Spain (95 and 170 basis points above the Bund respectively) contracted.

The **equity markets**, meanwhile, recorded a stellar performance, driven by more resilient growth and falling inflation, overshadowing a troubled global context and deferred monetary easing. With all bets on a soft landing, risk appetite was generally maintained, despite a tense and uncertain geopolitical climate, as reflected in average index gains (S&P 500 +24%, Eurostoxx 50 +17%, CAC 40 +14%). Lastly, the euro appreciated very slightly on average (+3%) against the dollar, which itself appreciated against the yen (+7%) and the yuan (+5%).

1.3. Activity and consolidated results [1]

Condensed consolidated income statement

Year 2023

€ million	Underlying CIB [1]	Non-recurring [1]	Stated CIB	Private Banking	Corporate Center	CACIB	Underlying CIB Change 2023/2022	Underlying CIB Change 2023/2022 at constant rate
Net banking income	**6,333**	**(39)**	**6,294**	**1,023**	**(0)**	**7,317**	**+10%**	**+11%**
Operating expenses excluding SRF	(3,275)	0	(3,275)	(809)	(8)	(4,092)	+11%	+13%
SRF	(271)	0	(271)	(3)	0	(274)	-30%	-30%
Gross Operating Income	**2,787**	**(39)**	**2,748**	**211**	**(8)**	**2,952**	**+15%**	**+16%**
Cost of risk	(117)	-	(117)	(4)	-	(121)	-53%	-55%
Share of net income of equity-accounted entities	1	-	1	-	-	1	ns	-
Gain/losses on other assets	0	-	0	(5)	-	(5)	ns	-
Impairment of goodwill	-	-	-	-	-	-	ns	-
Pre-tax income	**2,672**	**(39)**	**2,633**	**202**	**(8)**	**2,827**	**+22%**	**+24%**
Corporate income tax	(656)	10	(646)	(43)	119	(571)	+22%	-
Net income from discontinued or held-for-sale operations	-	-	-	1	-	1	ns	-
Net income	**2,015**	**(29)**	**1,986**	**160**	**111**	**2,257**	**+23%**	**+24%**
Non-controlling interests	(2)	-	(2)	17	-	15	+50%	-
Net income, Group Share	**2,017**	**(29)**	**1,988**	**143**	**111**	**2,241**	**+23%**	**+24%**
Operating coefficient (excluding SRF)	**+51.7%**							

[1] Restated under NBI for the impacts of DVA, FVA liquidity costs and secured lending in Capital Markets and Investment Banking in the amount of -€15 million in 2023 and for loan hedges in Financing Activities in the amount of -€24 million in 2023.

Year 2022

€ million	Underlying CIB [1]	Non-recurring [1]	Stated CIB	Private Banking	Corporate Center	CACIB
Net banking income	**5,764**	**2**	**5,766**	**929**	**2**	**6,697**
Operating expenses excluding SRF	(2,947)	0	(2,947)	(756)	(13)	(3,717)
SRF	(384)	0	(384)	(3)	0	(387)
Gross Operating Income	**2,433**	**2**	**2,434**	**170**	**(12)**	**2,593**
Cost of risk	(249)	-	(249)	(4)	-	(253)
Share of net income of equity-accounted entities	(0)	-	(0)	-	-	(0)
Gain/losses on other assets	0	-	0	(7)	-	(6)
Impairment of goodwill	-	0	-	0	0	-
Pre-tax income	**2,183**	**2**	**2,185**	**160**	**(12)**	**2,333**
Corporate income tax	(539)	(0)	(540)	(26)	77	(490)
Net income from discontinued or held-for-sale operations	-	-	-	4	-	4
Net income	**1,644**	**1**	**1,646**	**137**	**65**	**1,848**
Non-controlling interests	(1)	-	(1)	10	-	9
Net income, Group Share	**1,645**	**1**	**1,647**	**127**	**65**	**1,838**
Operating coefficient (excluding SRF)	**+51.1%**					

[1] Restated under NBI for the impacts of DVA, FVA liquidity costs and secured lending in Capital Markets and Investment Banking in the amount of -€19 million in 2022 and for loan hedges in Financing Activities in the amount of +€21 million in 2022..

1 The sum of values contained in the tables and analyses may differ slightly from the total reported due to rounding.

Over the course of 2023, a year characterised by tense macroeconomic and geopolitical conditions, high volatility early in the year and a continuous rise in interest rates, Corporate and Investment Banking of Crédit Agricole CIB posted excellent results in terms of both NBI and net income group share reflecting high levels of profitability. The CIB's Crédit Agricole CIB once again demonstrated the solidity of its business model in 2023.

Against this backdrop, Corporate and Investment Banking's underlying revenues stood at €6,333 million in 2023, up +10% at current exchange rates (+11% at constant exchange rates) compared to 2022. This growth in revenues can be attributed to a highly robust performance by Capital Markets and Investment Banking (+14% compared to 2022) and a satisfactory level of revenues from Financing Activities (+6% compared to 2022), once again confirming the complementarity of the two business lines. The improvement in its positions in several sectors, #2 in All Bond issues in EUR (vs. #3 in 2022), #2 in All Financial issues in EUR (vs. #3 in 2022), #2 in All Covered Bond issues in EUR (vs. #5 in 2022), while maintaining a very strong #2 position in Green, Social and Sustainability issues in EUR and its leading position in French corporate issues in France, reflect efforts to continue stepping up client relations.

Operating expenses amounted to €3,546 million in 2023, up +6% at current exchange rates (+8% at constant exchange rates). They included a contribution to the Single Resolution Fund (SRF) of €271 million, down -30% compared to 2022. Excluding this contribution, operating expenses rose +11% (+13% at constant exchange rates) in line with the year's performance and Crédit Agricole CIB's human and IT investment strategy aimed at supporting the business lines.

Excluding the SRF, CIB's underlying cost/income ratio came out at 51.7% in 2023, versus 51.1% in 2022. Gross operating income amounted to €2,787 million in 2023, compared with €2,433 million in 2022, down +15%.

CIB's cost of risk was -€117million in 2023 down sharply from 2022 at -€249million which included provisions related to the Russia-Ukraine conflict.

CIB's underlying Net income Group Share ultimately amounted to €2,017 million in 2023, versus €1,645 million in 2022, an increase of +23%.

1.4. Results by business line

Capital Markets and Investment Banking

€ million	Underlying 2023 [1]	Underlying 2022 [1]	Change 2023/2022	Change 2023/2022 at constant rate
Net banking income	3,038	2,659	+14%	+16%
Operating expenses excluding SRF	(1,886)	(1,727)	+9%	+11%
SRF	(175)	(246)	-29%	-29%
Gross Operating Income	**976**	**686**	**+42%**	**+43%**
Cost of risk	12	64	-80%	-
Share of net income of equity-accounted entities	-	-	ns	-
Gain/losses on other assets	-	-	ns	-
Impairment of goodwill	-	0	ns	-
Pre-tax income	**988**	**749**	**+32%**	**-**
Corporate income tax	(312)	(182)	+71%	-
Net income from discontinued or held-for-sale operations	-	-	ns	-
Net income	**677**	**567**	**+19%**	**-**
Non-controlling interests	0	0	ns	-
Net income, Group Share	**676**	**567**	**+19%**	**-**

[1] Restated for the impact of DVA, the FVA's liquidity cost and Secured Lending in NBI for -€15 million in 2023 and -€19 million in 2022, respectively.

Underlying revenues from Capital Markets and Investment Banking totalled €3,038 million in 2023, up +14% compared to 2022 at current exchange rate and +16% at constant exchange rates.

- Fixed Income activities (€2,576 million, up +17% compared to 2022) delivered an exceptional performance in 2023 driven by business in structured products, primary credit market, securitisation benefiting from rising interest rates and, overall, a solid performance by the other hedging product lines.
- Investment Banking posted a slight increase in revenues at +€461 million, +2% compared to 2022, mainly fuelled by dynamic activity in structured equities which offset the sluggish M&A market in 2023.

Capital Markets and Investment Banking contributed €676 million to Net income Group Share, up +19% compared to 2022.

Financing activities

€ million	Underlying 2023 [1]	Underlying 2022 [1]	Change 2023/2022	Change 2023/2022 at constant rate
Net banking income	3,296	3,105	+6%	+8%
Operating expenses excluding SRF	(1,389)	(1,221)	+14%	+15%
SRF	(96)	(138)	-31%	-31%
Gross Operating Income	**1,811**	**1,747**	**+4%**	**+6%**
Cost of risk	(129)	(313)	-59%	-
Share of net income of equity-accounted entities	1	(0)	ns	-
Gain/losses on other assets	0	0	ns	-
Impairment of goodwill	-	0	ns	-
Pre-tax income	**1,683**	**1,434**	**+17%**	**-**
Corporate income tax	(345)	(357)	-3%	-
Net income from discontinued or held-for-sale operations	-	-	ns	-
Net income	**1,338**	**1,077**	**+24%**	**-**
Non-controlling interests	(2)	(1)	+71%	-
Net income, Group Share	**1,340**	**1,078**	**+24%**	**-**

[1] Restated under NBI for the impact of loan hedges in the amount of -€24 million in 2023 and +€21 million in 2022.

Financing activities posted underlying revenues of €3,296 million in 2023, up +6% at current exchange rates and +8% at constant exchange rates. This robust performance was recorded by both business lines.

- Structured Finance also earned satisfactory revenues (+9% to €1,213 million), driven by all product lines and in particular the Aeronautic/Rail and Power sectors.
- Commercial Banking also turned in a strong performance (+4% to €2,082 million). International Trade and Transaction Banking (ITB) revenues picked up sharply, fuelled by the Cash Management business amid rising interest rates. Corporate & Leveraged Finance (CLF) revenues dipped slightly despite good momentum in the Telecom sector.

Financing activities contributed €1,340 million to Net income Group Share in 2023, up +24% compared to 2022, thanks in large part to the steep drop in cost of risk allocations, which included allocations for the Russia-Ukraine conflict in 2022.

Wealth Management

€ million	2023	2022	Change 2023/2022
Net banking income	1,023	929	+10%
Operating expenses excluding SRF	(809)	(756)	+7%
SRF	(3)	(3)	+3%
Gross Operating Income	**211**	**170**	**+24%**
Cost of risk	(4)	(4)	+13%
Share of net income of equity-accounted entities	-	-	ns
Gain/losses on other assets	(5)	(7)	ns
Impairment of goodwill	-	0	ns
Pre-tax income	**202**	**160**	**+27%**
Corporate income tax	(43)	(26)	+65%
Net income from discontinued or held-for-sale operations	1	4	-76%
Net income	**160**	**137**	**+16%**
Non-controlling interests	17	10	+64%
Net income, Group Share	**143**	**127**	**+12%**

The Wealth Management business performed well in 2023.

Operating income came to €1,023 million in 2023, up +10% compared to 2022. This increase was driven by a strong performance in terms of fees on assets under management and an increase in margins on deposits.

Operating expenses excluding SRF were up +7% compared to 2022, totalling €809 million in 2023, largely owing to the rise in human resources investments and the costs associated with the planned acquisition of Degroof Petercam.

Cost of risk was stable, with an allocation of -€4 million in 2023.

At end-December 2023, assets under management totalled €135 billion, up +4% compared to 31 December 2022, predominantly attributable to a supportive market effect.

Corporate center

€ million	2023	2022	Change 2023/2022
Net banking income	(0)	2	ns
Operating expenses excluding SRF	(8)	(13)	-41%
SRF	0	0	ns
Gross Operating Income	**(8)**	**(12)**	**-32%**
Cost of risk	-	-	ns
Share of net income of equity-accounted entities	-	-	ns
Gain/losses on other assets	-	-	ns
Impairment of goodwill	-	0	ns
Pre-tax income	**(8)**	**(12)**	**-32%**
Corporate income tax	119	77	+55%
Net income from discontinued or held-for-sale operations	-	-	ns
Net income	**111**	**65**	**+71%**
Non-controlling interests	-	-	ns
Net income, Group Share	**111**	**65**	**+71%**

The "Corporate Center" division integrates the various impacts not attributable to the other business lines.

In 2023, revenues linked to divergent accounting methods for EMTN issues were offset by negative revenues associated with the end of the discount on Visa shares. Operating expenses excluding SRF totalled -€8 million, mainly consisting of expenses related to the restructuring of Crédit Agricole Group Infrastructure Platform and Project Jakarta. Tax income amounted to +€119 million, attributable to the tax rate applied to the tax base and to tax income on AT1 issues.

1.5. Crédit Agricole CIB's consolidated balance sheet

Assets

€ billion	31.12.2023	31.12.2022
Cash, central banks	77.2	78.7
Financial assets at fair value through profit or loss (excluding repurchase agreements)	187.7	182.7
Hedging derivate instruments	2.3	2.6
Financial assets at fair value through other comprehensive income	10.6	10.8
Financial assets at amortised cost (excluding repurchase agreements)	260.7	264.3
Current and deferred tax assets	1.8	1.6
Repurchase agreements	166.7	122.8
Accruals, prepayments and sundry assets	47.7	62.2
Non-current assets held for sale and discontinued operations	-	-
Property, plant, equipment and intangible assets	1.6	1.4
Goodwill	1.1	1.1
Total assets	**757.4**	**728.2**

At 31 December 2023, Crédit Agricole CIB had total assets of €757.4 billion, up +€29.2 billion compared to 31 December 2022.

CASH AND BALANCES AT CENTRAL BANKS

Central bank deposits amounted to €77.2 billion, down -€1.5 billion.

FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS EXCLUDING REPURCHASE AGREEMENTS

Financial assets and liabilities at fair value through profit or loss rose +€5 billion in assets and +€16.4 billion in liabilities over the year. The increase in assets at fair value through profit or loss can be attributed to the +€26 billion increase in the securities portfolios, minus the -€21 billion decrease in the MtM of derivatives. Excluding the latter, financial liabilities at fair value through profit or loss climbed due to the increase in our issues.

FINANCIAL ASSETS AND LIABILITIES AT AMORTISED COST EXCLUDING REPURCHASE AGREEMENTS

Financial assets and liabilities at amortised cost decreased -€3.6 billion and -€17.4 billion, respectively, mainly due to Financing activities and Securitisation activities.

REPOS (ASSETS AND LIABILITIES)

Repurchase agreements climbed +€43.9 billion in assets and +€33.9 billion in liabilities.

ACCRUAL AND DEFERRED INCOME AND SUNDRY ASSETS AND LIABILITIES

Accruals, deferred income and sundry assets/liabilities consisted mainly of security deposits and margin calls on market transactions. In correlation with the change in the MtM of derivatives, variable margins and security deposits on derivatives decreased.

Liabilities

€ billion	31.12.2023	31.12.2022
Central banks	-	-
Financial liabilities at fair value through profit or loss (excluding repurchase agreements)	237.9	221.5
Hedging derivate instruments	4	5.1
Financial liabilities at amortised cost (excluding repurchase agreements)	316.6	334
Repurchase agreements	116.6	82.7
Current and deferred tax liabilities	2.3	2.2
Accruals, deferred income and sundry liabilities	44.8	49.2
Liabilities associated with non-current assets held for sale and discontinued operations	-	-
Provisions	1	0.9
Subordinated debt	4.2	4.3
Equity	30	28.3
Equity – group share	27.8	26.5
Net income (loss) for the year	2.2	1.8
Non-controlling interests	-	-
Total liabilities and equity	**757.4**	**728.2**

EQUITY

Equity excluding net income for the period fell slightly by -€0.5 billion, mainly due to -€0.4 billion on AT1 instruments.

1.6. Recent trends and outlook

2024 Outlook

Although the advanced economies proved unexpectedly resilient in 2023, they are gearing down, each at their own speed – slowly but surely. While they are not collapsing, neither is inflation any time soon. That said, uncertainty remains high, not least because of the conflicts in Ukraine and the Middle East, and downside risks are weighing on our growth scenario.

In the **United States**, although the hit from aggressive monetary tightening is undergoing a relatively long delay (which was underestimated), it is not without pain: the effects are just slower to spread – and longer-lasting. With growth still positive, albeit below potential, it appears the US economy will stay afloat until the middle of 2024 before the impact of rising interest rates makes a bigger dent through debt refinancing. Our central scenario calls for a recession as 2024 flows into 2025, but a shallow one. This is because businesses – and above all households – are on solid financial ground. In addition, consumers should do well in a labour market where the "imbalance" favours supply and any cooling would result in a slight rise in unemployment. They will also benefit from lower inflation, which should dip below 3% in second quarter 2024 – even if service prices stay higher. Our scenario assumes headline inflation of 2.4% and core inflation of 2.7% at the end of 2024, levels to which they would remain close throughout 2025. In terms of average growth, our scenario assumes a measurable decline in 2024 (1.6% after 2.5% in 2023) followed by a further dip in 2025 (to just 0.5%), despite an acceleration forecast at the end of the period due to interest rate cuts.

While the slowdown in the **Eurozone** is dramatic, it will be buffered by the disinflationary process, which leaves room for a soft landing on a downward growth trend. However, negative factors (higher real interest rates, a structural competitiveness shock linked to energy, a deeply uncertain external environment) are setting the Eurozone economy on course for lower growth than its pandemic-weakened potential. Some of the positive factors that have allowed European growth to dip without collapsing – despite inflation that is abating but still high, and the acute impacts of monetary tightening – will still be at work in 2024. Above all, employment and wages are holding up well at the expense of productivity and unit labour costs.

With a delay in transmission of 12 to 18 months after the last rate hike in September 2023, monetary transmission will continue to be deployed in 2024, squeezing the growth rate of total investment: it should remain positive (0.9% in 2024 and 1.8% in 2025), but well below the 2014-2019 average. The recovery in domestic demand will be driven for the most part by a pick-up in private consumption (1.1% in 2024 and 1.3% in 2025). A small, temporary increase in the unemployment rate (6.7% in 2024 and 6.6% in 2025, after 6.6% in 2023) would not derail this upturn, which is based on an increase in the wage bill and its purchasing power. Households will also be able to draw on substantial accumulated savings, which would no longer be built up as a precaution, just as soon as the disinflation momentum helps improve confidence. By contrast, budgets will become increasingly restrictive as all support packages (Covid and energy) are permanently withdrawn in 2024.

Growth is therefore expected to stand at 0.7% in 2024 before recovering to 1.4% in 2025. Average headline inflation (year-on-year) is expected to reach 2.8% in 2024 and 2.5% in 2025. This very "soft" growth scenario is based on a recovery in consumer spending that is itself justified by flatter but still positive job creation, sustained wage growth, continued (albeit slower) disinflation and, ultimately, improved confidence indicating a reduction in precautionary savings. However, this scenario is surrounded by downside risks: the "switch" to a recession scenario does not require an external shock, but rather a simple deviation from the favourable assumptions on which we based our central scenario (continued disinflation, easing of financing terms, brisk business activity and employment, and increased wage purchasing power).

As for **France**, the scenario assumes a "story" whose pieces are essentially those of the scenario drawn up for the Eurozone: continued recovery in consumption in 2024 that should remain robust in 2025 (lower inflation, rising wages, slight drop in savings rate), modest decline in business investment before a recovery when financial terms ease (end-2024 and into 2025), and a fairly positive contribution from net external demand. Growth is expected to reach 1% in 2024 and 1.3% in 2025, from 0.9% in 2023.

A year after **China** abandoned its zero-Covid policy, growth remains hobbled by structural issues, and stimulus policies are unable to generate the confidence necessary to stabilise and recover. The Chinese economy is operating below potential. It still suffers from a chronic lack of domestic demand, reflected in non-existent inflation. China is facing deflation and a serious real estate crisis, as well as an ageing population, an accumulation of precautionary savings and high domestic debt. Taken together, it calls to mind late-1980s Japan and its "lost decade". China's 2024 growth target is expected to be officially announced in March and should be between 4.5% and 5.0%. It is more likely that the government will adopt a more prudent and conservative approach with a target of around 4.5%, to avoid the political risk of "missing the target". Our 2024 forecast is around this level, at 4.4%.

In terms of **monetary policy**, patience will be called for. While the major central banks seem to have finished hiking their key rates, they are not done with inflation yet. The quick and mechanical decline of headline inflation is likely to be followed by tougher – possibly stickier – core inflation. In the United States, the Federal Reserve wants to see inflation, which is gauged by the PCE (Personal Consumption Expenditure) index, fall permanently below 3% before it will ease its monetary policy. In the Eurozone, the risk of demand fuelling inflation has passed. But the wages-to-inflation transmission channel is still open, and the risk of second-round effects cannot be totally ruled out.

In our scenario, inflation rates would slowly converge towards the central banks' "comfort zones" (which are still unclear) but would still be higher than the 2% targets. These inflation forecasts call for a prudent monetary easing scenario. In terms of cutting key rates, the markets' expectations seem "aggressive".

Our **US** scenario includes a 25 basis point drop – but not until July 2024. This reduction will be gradual, with another 25 basis point cut in November, putting the Fed funds rate's upper bound at 5% at the end of 2024. The predicted drop in growth could give the Fed room to accelerate its cuts in 2025. The upper bound is likely to be 3.50% at the end of 2025 – a threshold the Fed may struggle to move below, with inflation stuck above its target and a neutral interest rate that could top its previous mark.

As for the **ECB**, it is forecasting a deceleration in wages and will wait for this to play out. It is expected to continue to monitor unit profits to ensure that future wage rises will be absorbed by margins and not passed on to selling prices. Its first rate cut (25 basis points) is therefore not expected until September 2024. This would be followed by five cuts of 25 basis points each until the ECB reaches its neutral rate, with a deposit rate at 2.50%, in second quarter 2025. By the end of 2025, this policy would put the refinancing and deposit rates at 2.75% and 2.50% respectively, with a tightening of the rate corridor.

Just as with monetary policy, our **long-term interest rate scenario** is one of "guarded optimism". Between inflation, growth and the need to not ease financial terms too quickly, everything urges the central banks to be patient and points to a scenario of moderate decline in long-term rates once the series of key rate cuts has begun.

In the United States, our scenario has Treasury yields declining when the Fed makes its first cuts. It also calls for a ten-year yield of about 4% by the end of 2024. In the Eurozone, our forecast for government bond yields does not "clear up" until the second half of 2024. Our scenario is of a cumulative reduction of 75 basis points in 2024 in the ECB's key rates, starting in September. This should usher the bond markets into a phase of decline and moderate steepening. The Bund yield is expected to be around 2.60% at the end of 2024, after rising during the first half of the year. Ten-year Treasury yields would approach 3.30% in France and 4.60% in Italy.

The Crédit Agricole CIB Group's revenues, expenses, cost of risk and results are therefore naturally impacted by macroeconomic developments in France, the Eurozone and the rest of the world. The "2025 Ambitions" Medium-Term Plan, presented in the next section of Chapter 4, is also based on a set of macroeconomic assumptions.

Crédit Agricole CIB's ambition continues to be the privileged partner of its customers and to be committed over the long term by facilitating their activities and their transitions in a global approach with the Crédit Agricole Group. 2024 strategic orientations are fully in line with the "2025 Ambitions" plan, with the enhancement of the financing and advisory offering, the diversification and digitisation of market activities and the industrialisation of equity financing solutions, while strengthening the acceleration of the energy transition.

Medium-Term Plan for 2025: "2025 Ambitions"

On 22 June 2022, Crédit Agricole S.A. presented its new Medium-Term Plan for 2025, "2025 Ambitions". As part of its new strategic plan, in line with the overarching Group plan, Crédit Agricole CIB has reaffirmed its commitment to provide the best possible service to its clients and society by helping them achieve their main transitions: ecological, human and digital.

As such, Crédit Agricole CIB is evolving to offer optimal support to its clients in the energy transition and environment fields, notably by strengthening the advisory and financing offer for the energy transition, drawing on a community of around 250 experts and coordinators known as the Sustainability Community, and further developing its expertise in emerging technologies (e.g. hydrogen, offshore wind power, carbon capture).

The Bank is also pursuing its client-centric strategy, first by strengthening its global franchise with European customers, and second by adopting a selective approach outside Europe, with a focus on differentiating sectors (energy transition, mobility, telecommunications, media and technology, real estate, agriculture, agro-business, financial institutions). Crédit Agricole CIB's ambition is to increase its revenues in Europe (excluding France) by around +5% on average per year between 2021 and 2025. This development model is based on the principle of maintaining a prudent risk framework (proportion of Investment Grade clients, low VaR). The Bank also aims to increase its penetration among major European corporate [1] issuers, financial sponsors [2] and ISE clients [3], with the goals of securing 35 of the top 50 European Corporate issuers as customers of Crédit Agricole CIB.

In addition, Crédit Agricole CIB is developing its business lines by capitalising on their strengths. Accordingly, the Bank intends to diversify and digitise its market activities (equity derivatives, credit products, ESG solutions); and will continue its efforts to industrialise bottom-end balance sheet solutions (Cash Management activities) and platformisation of Receivable & Supply Chain Financing solutions. It aims to increase revenues from industrialised flow activities by more than 15% between 2020 and 2025.

Finally, benefiting from the Group's image, strong reputation and very high rating, which are key commercial advantages in an uncertain environment, Crédit Agricole CIB plans to expand its relationships and increase synergies with the Group, thanks to a range of services provided to Amundi and local banks, while also developing complementary synergies within the Large Customers division (with CACEIS).

"2025 Ambitions": Financial trajectory

Crédit Agricole S.A.'s Large Customers division represents the activities of Corporate and Investment Banking and Institutional Services (CACEIS). The division as a whole has set ambitious financial targets for 2025, including average annual revenue growth of around +4% to 5% per year while keeping operating expenses under control, with the aim of achieving a cost/income ratio (excluding SRF contribution) of less than 55% in 2025, for the Corporate and Investment Banking business line.

(1) Issuers on the bond market.
(2) Infrastructure and Private Equity funds.
(3) Intermediate Sized Enterprises.

1.7. Alternative performance measures (APM) - article 223-1 of the AMF's general regulation

Alternative Performance Measures	Definition	Reason for use
Cost/Income ratio	Ratio indicating the share of NBI (Net Banking Income) used to cover operating expenses (business operating expenses). It is calculated by dividing operating expenses by NBI.	Measure of operational efficiency in the banking sector.
Underlying Net Banking Income (Underlying CIB)	Net Banking Income excluding exceptional items. Details of exceptional items are provided in the table hereafter.	Measure of Crédit Agricole CIB's NBI excluding items that do not reflect the underlying operating performance or non-recurring items of a significant amount.
Underlying Net income, Group Share	Underlying Net income, Group Share excluding exceptional items. Details of exceptional items are provided in the table hereafter.	Measure of Crédit Agrcicole CIB's net income excluding items that do not reflect the underlying operating performance or non-recurring items of a significant amount.
Assets under management	All assets under management by Indosuez Wealth Management.	Measures operating activity not reflected in consolidated financial statements and corresponding to portfolio assets marketed portfolio assets managed, advised or delegated by Indosuez Wealth Management.

▶ Key Exceptional Elements

€ million	2023	2022
Net Banking Income	**(39)**	**+2**
Loan hedges	(24)	+21
DVA, FVA component of issuer spread and secured lending	(15)	(19)
Total pre-tax exceptional items	**(39)**	**+2**
Total exceptional items after tax	**(29)**	**+1**

2. INFORMATION ON THE FINANCIAL STATEMENTS OF CRÉDIT AGRICOLE CIB (S.A.)

2.1. Condensed Balance Sheet of Crédit Agricole CIB (S.A.)

Assets

€ billion	31.12.2023	31.12.2022
Interbank and similar transactions	247.9	215.7
Customer transactions	238.4	205.0
Securities transactions	51.7	39.6
Accruals, prepayments and sundry assets	178.3	220.4
Non-current assets	6.1	5.9
Total assets	**722.4**	**686.6**

Liabilities

€ billion	31.12.2023	31.12.2022
Interbank and similar transactions	122.5	122.3
Customer accounts	252.9	222.4
Debt securities in issue	62.2	54.8
Accruals, deferred income and sundry liabilities	249.1	252.5
Impairment and subordinated debt	18.0	17.7
Fund for General Banking Risks	-	-
Shareholders' equity (excl. FGBR)	17.7	16.8
Total liabilities and shareholders' equity	**722.4**	**686.6**

At 31 December 2023, Crédit Agricole CIB (S.A.) had total assets of €722.4 billion, up €35.8 billion compared to 31 December 2022.

Money market and interbank items

Interbank assets climbed +€32.2 billion (+14.9%), with increases of +€16.5 billion in treasury bills, +€15.1 billion in amounts due from credit institutions (o/w +€5.5 billion in term and demand accounts and loans and +€9.6 billion in reverse repurchase agreements) and +€0.6 billion in deposits with central banks.

Interbank liabilities picked up slightly, climbing +€0.2 billion (+0.2%), i.e. +€0.2 billion in amounts due to credit institutions (i.e. +€12.2 billion in securities sold under repurchase agreements, offset by a -€12 billion decrease in term and demand accounts and loans).

Client transactions

Customer transactions were up +€33.4 billion (+16.3%) under assets and +€30.5 billion (+13.7%) under liabilities.

In terms of assets, this increase can be attributed to the following changes: +€36.4 billion in securities purchased under repurchase agreements, +€1.6 billion in other customer loans and a slight increase in impairment (+€0.3 billion) offset by a steep decline in trade receivables (-€3.5 billion) and a -€1.4 billion drop in current accounts in debit.

On the liabilities side, securities sold under repurchase agreements climbed +€27.2 billion (+43.1%), while other amounts due to customers rose +€10.1 billion (+9.8%). This increase was mitigated by a sharp drop in current accounts in credit (-€6.8 billion, i.e. -12.2%).

Securities and debt securities

Securities transactions under assets were up +€12.1 billion (+30.6%) with +€5.8 billion stemming from bonds and other fixed income securities, and +€6.3 billion from shares and other variable income securities.

Debt securities were up +€7.4 billion (+13.4%), largely attributable to negotiable debt securities for +€9.5 billion (+18.5%), offset by a -€2.1 billion in bonds (-57.1%).

Accrual and deferred income and miscellaneous assets and liabilities

This item principally records the fair value of derivative instruments. As a reminder, these are covered in "Financial assets and liabilities at fair value" in the consolidated financial statements.

The decrease in "Accruals, prepayments and sundry assets and liabilities" was -€42 billion on the assets side (-19.1%) and -€3.4 billion on the liabilities side (-1.4%).

"Other assets" shed -€20 billion and "Other liabilities" gained +€8.9 billion. These aggregates mainly consist of various sundry debtors and creditors.

Accruals and prepayments, mainly representing the fair value of derivatives, were down -€22 billion under assets and -€12.3 billion under liabilities.

Provisions and subordinated debt

Provisions picked up slightly (+€0.1 billion), as did subordinated debt (+€0.2 billion).

Fixed assets

At €6.1 billion, fixed assets held steady compared to 2022.

Fixed assets can be broken down into €5.6 billion in equity investments and other long-term investment securities and €0.5 billion in property, plant and equipment and intangible assets.

Accounts payable by due date

Under Article L. 441-14 of the French Commercial Code, companies whose parent company financial statements are certified by a Statutory Auditor are required to disclose in their management report details of their client and supplier payment terms by due date, in accordance with the terms and conditions set out in Article D. 441-6-I of the French Commercial Code, as amended by Decree No. 2021-211 of 24 February 2021. This information does not include banking and related transactions as we consider that they do not fall within the scope of the information to be provided.

	31.12.2023				31.12.2022			
€ thousands	≤ 30 days	> 30 days ≤ 60 days	> 60 days	Total	≤ 30 days	> 30 days ≤ 60 days	> 60 days	Total
Accounts payable	8,968	-	-	8,968	7,966	-	-	7,966

The median payment period for accounts payable at Crédit Agricole CIB is 15 days. Crédit Agricole CIB had outstanding amounts payable of €9 million at 31 December 2023 versus €8 million at 31 December 2022.

Information on payment delays by Crédit Agricole CIB suppliers

▶ Invoices received subject to payment delays by Crédit Agricole CIB Paris suppliers

	2023 Financial year					
€ thousands	0 day	≥ 1 day ≤ 30 days	> 30 days ≤ 60 days	> 60 days ≤ 90 days	> 90 days	Total (1 day and more)
Number of invoices concerned	37,795	1,697	800	385	810	3,692
Aggregate amount of the invoices concerned excl. VAT	1,137,417	55,145	23,871	10,773	13,444	103,233
Percentage of the total amount of invoices received during the year, excl. VAT	91.68%	4.44%	1.92%	0.87%	1.08%	-

▶ Invoices received and not paid at the closing date whose payment term has expired

	31.12.2023					
€ thousands	0 day	≥ 1 day ≤ 30 days	> 30 days ≤ 60 days	> 60 days ≤ 90 days	> 90 days	Total (1 day and more)
Number of invoices concerned						0
Aggregate amount of the invoices concerned excl. VAT						0
Percentage of the total amount of invoices received during the year, excl. VAT						0

Information on inactive bank accounts

Under Articles L. 312-19 and L. 312-20 of the French Monetary and Financial Code, issued by the Law No 2014-617 of 13 June 2014 relative to unclaimed assets on inactive bank accounts, named Law Eckert which came into force on 1st January 2016, every credit institution is required to publish annual information on inactive bank accounts. At 31 December 2023, Crédit Agricole CIB S.A. recorded 282 inactive bank accounts, for an estimated total amount of €20,039,855.84.

At the end of the 2023 financial year, nothing was transferred to *Caisse des Dépôts et des Consignations* in respect of inactive bank accounts held with Crédit Agricole CIB.

Client settlement terms

Compliance with the contractual terms of client payments is monitored as part of the Bank's risk management processes. The outstanding maturities of client receivables are provided in Note 3.1 to the parent company financial statements.

2.2. Condensed Income Statement of Crédit Agricole CIB (S.A.)

€ million	31.12.2023	31.12.2022
Net Banking Income	4,922	5,092
Operating expenses[1]	(3,289)	(3,060)
Gross operating income	**1,633**	**2,032**
Cost of risk	(119)	(140)
Net operating income	**1,514**	**1,892**
Net gain/(loss) on fixed assets	13	34
Pre-tax income	**1,527**	**1,926**
Corporate income tax	(317)	(350)
Net allocation to FGBR and regulated provisions	0	0
Net income	**1,210**	**1,576**

[1] Including depreciation and impairment of property, plant and equipment and intangible assets.

Net banking income for the 2023 financial year stood at +€4.9 billion, a decrease of -€170 million compared to 2022.

Operating expenses, excluding amortisation and provisions, increased +€226 million (+7.6%).

In view of these factors, gross operating income fell -€399 million to €1.6 billion at 31 December 2023.

Cost of risk amounted to -€119 million in 2023 versus -€140 million in 2022.

Net income on fixed assets came to €13 million in 2023 versus €34 million in 2022, a decrease of -€21 million. Key events included the change related to the 2022 consolidation of the Crédit Agricole CIB Australia branch for -€12 million (which changed from a Subsidiary to a Branch), as well as a capital loss of -€9 million following the disposals carried out in 2023, mainly of E/COBASE shares (for -€5.4 million) and A/INDOSUEZ WI CARR SECURITIES (for -€3.2 million) at Crédit Agricole CIB Paris.

Crédit Agricole CIB, owned by the Crédit Agricole Group since 27 December 1996 and some of its subsidiaries are part of Crédit Agricole S.A.'s tax consolidation group.

Accordingly, Crédit Agricole S.A. compensates the Crédit Agricole CIB sub-group for any potential tax losses, which are charged against the Crédit Agricole Group's taxable income.

The income tax expense for 2023 came to -€317 million.

Crédit Agricole CIB (S.A.) recorded net income of +€1.21 billion in 2023, compared to +€1.58 billion in 2022.

2.3. Five-year financial summary

ITEMS	2019		2020		2021		2022		2023	
Share capital at year-end (€)	EUR	7,851,636,342	EUR	7,851,636,342	EUR	7,851,636,342	EUR	7,851,636,342	EUR	7,851,636,342
Number of shares issued	-	290,801,346		290,801,346		290,801,346		290,801,346		290,801,346
Number of shares held by CACIB	-	-	-	-	-	-	-	-	-	-
Number of shares outstanding excluding treasury shares	-	-	-	-	-	-	-	-	-	-
Total results of realized transactions (in € million)										
Gross revenue (excl. Tax)	EUR	12,554	EUR	9,435	EUR	8,878	EUR	16,096	EUR	33,676
Profit before tax, amortisation and reserves	EUR	1,895	EUR	1,339	EUR	1,594	EUR	2,066	EUR	1,479
Corporate income tax	EUR	(433)	EUR	(78)	EUR	(132)	EUR	(350)	EUR	(317)
Profit after tax, amortisation and reserves	EUR	1,329	EUR	1,155	EUR	1,359	EUR	1,576	EUR	1,210
Amount of dividends paid	EUR	445	EUR	1,023	EUR	553	EUR	344	EUR	170
Earnings per share (€)										
Profit before tax, amortisation and reserves	-	(1) 5.66		(2) 4.03		(3) 4.49		(4) 5.77		(5) 4.13
Profit after tax, amortisation and reserves	-	(1) 4.57		(2) 3.97		(3) 4.67		(4) 5.42		(5) 4.16
Dividend per share	EUR	1.53		3.52		1.90		1.18		0.59
Staff										
Number of employees	-	(6) 7,410		(6) 7,555		(6) 7,786		(6) 8,186		(6) 8,483
Wages and salaries paid during the financial year (€ million)	EUR	1,081	EUR	1,105	EUR	1,146	EUR	1,266	EUR	1,421
Employee benefits and social contribution (in € million)	EUR	338	EUR	355	EUR	367	EUR	416	EUR	472
Payroll taxes (in € million)	EUR	41	EUR	39	EUR	43	EUR	32	EUR	37

(1) Calculation made in relation to the number of shares outstanding excluding treasury shares at the end of 2019, or 290,801,346 shares.
(2) Calculation made in relation to the number of shares outstanding excluding treasury shares at the end of 2020, or 290,801,346 shares.
(3) Calculation made in relation to the number of shares outstanding excluding treasury shares at the end of 2021, or 290,801,346 shares.
(4) Calculation made in relation to the number of shares outstanding excluding treasury shares at the end of 2022, or 290,801,346 shares.
(5) Calculation made in relation to the number of shares outstanding excluding treasury shares at the end of 2023, or 290,801,346 shares.
(6) Average headcount.

2.4. Recent changes in share capital

The table below shows changes in Crédit Agricole CIB's share capital over the last five years.

Date and type of transaction	Amount of share capital (€)	Number of shares
Share capital at 31 December 2019	7,851,636,342	290,801,346
Share capital at 31 December 2020	7,851,636,342	290,801,346
Share capital at 31 December 2021	7,851,636,342	290,801,346
Share capital at 31 December 2022	7,851,636,342	290,801,346
Share capital at 31 December 2023	**7,851,636,342**	**290,801,346**

2.5. Information on corporate officers

Disclosures relating to the compensation, terms of office and functions of corporate officers pursuant to Articles L.225-37-4, L.22-10-10 and L.22-10-11 of the French Commercial Code are provided in the chapter 3 "Corporate Governance" of the present Universal Registration Document. Concerning the trading in the Company's shares by Corporate Officers, a paragraph about the information that may be required under the terms of Article L. 621-18-2 of the French Monetary and Financial Code and Article 223-26 of the General Regulation of the French Financial Markets Authority (AMF) appears in the chapter 3 "Corporate Governance", sections 1.3.3 and 1.3.4, of the present Universal Registration Document.

2.6. Information relating to article l. 225-102-1 Of the French Commercial code regarding the Group's social and environmental impact

Economic, social and environmental information of Crédit Agricole CIB group are presented in Chapter 2 of the present Universal Registration Document.

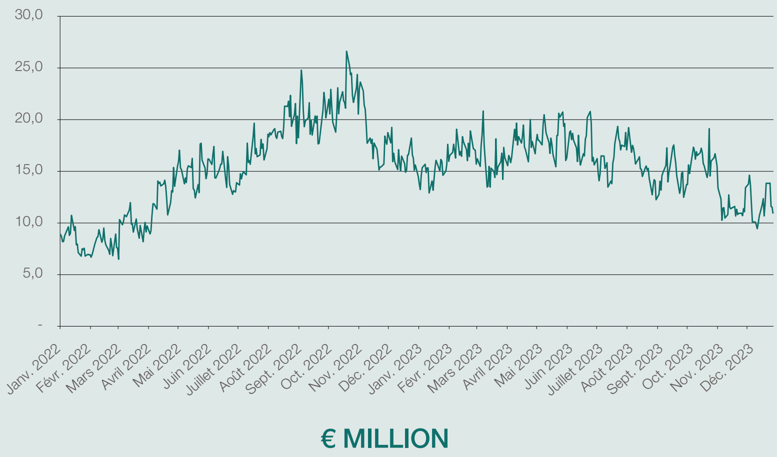
5

RISKS AND PILLAR 3

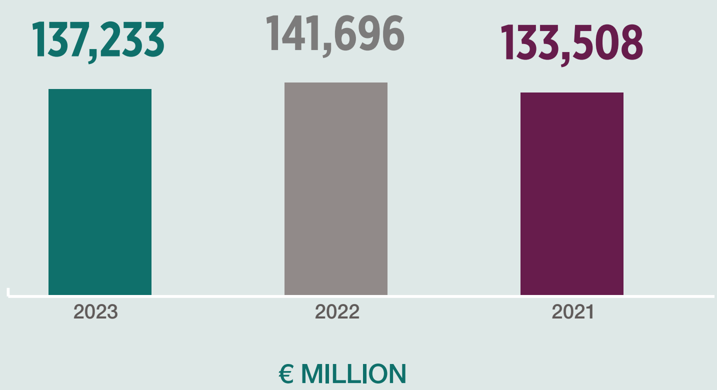
5

CONTENTS

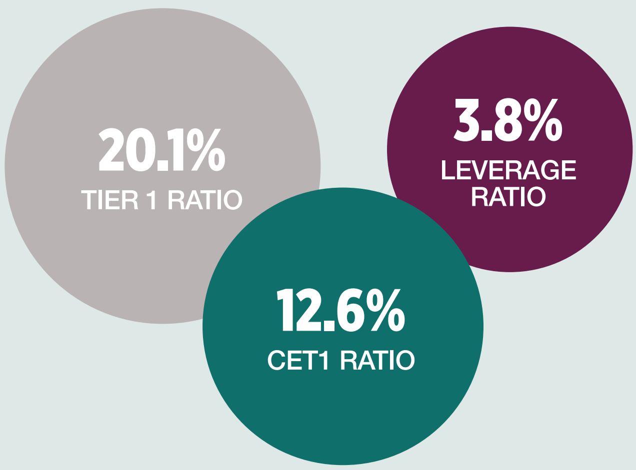
2022-2023 REGULATORY VAR OF CRÉDIT AGRICOLE CIB



CHANGES IN RISK-WEIGHTED ASSETS FULLY LOADED BASEL III



REGULATORY RATIO IN 2023 FULLY LOADED



The main risks are defined in the Glossary in Chapter 8 of the present Universal Registration Document.

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1. RISK FACTORS

This section sets out the main types of risks to which Crédit Agricole CIB is exposed, as well as certain risks related to holding Crédit Agricole CIB securities. Other parts of this chapter discuss Crédit Agricole CIB's risk appetite and the set-ups put in place to manage and control these risks. The information on the management of risks is presented in accordance with IFRS 7, relating to disclosures on financial instruments.

Identification of risks

Crédit Agricole CIB identifies its risks using a comprehensive, ex-ante and ongoing approach, then a selective ex-post approach, via a list of "major risks" that is updated annually. First, all risks are identified and their materiality assessed on an ex-ante basis and on an ongoing basis, whenever Crédit Agricole CIB develops a new business activity, develops a risk framework or plans a new transaction. Second, Crédit Agricole CIB categorises the risks identified using a uniform classification for the entire Group, then selects those considered to be "major" risks. The assessment is realised based on two joint criteria, on the one hand the assessment of the negative potential impact magnitude and on the other hand, the assessment of the risk occurrence probability. Based on expert opinion, taking into account the impacts and the probability of occurrence, the Crédit Agricole CIB Risks Department, independent, makes a proposal to the Board of Directors that validates the list of Crédit Agricole CIB risks for the year, at the same time as the risk appetite. The risk factors listed below are taken from this list of "major risks".

The main risks specific to Crédit Agricole CIB's activity are presented below and are expressed through risk-weighted assets or other indicators when risk-weighted assets are not appropriate.

1.1. Credit risks

Crédit Agricole CIB's Corporate and Investment Bank largely focuses on debt-related business: credit risk is therefore central to its activities and represents the greatest risk.

A – Crédit Agricole CIB is exposed to credit risk on its corporate & financial institutions counterparties

Crédit Agricole CIB is exposed to credit risk in relation to its counterparties such as corporates and financial institutions. Credit risk impacts Crédit Agricole CIB's consolidated financial statements when counterparties are unable to honour their obligations and when the carrying amount of these obligations in the bank's records is positive. Counterparties may be banks, financial institutions, industrial or commercial enterprises, governments and their various entities or investment funds. The rate of counterparty defaults may increase compared to recent relatively low levels, Crédit Agricole CIB may be required to record significant charges and provisions for bad and doubtful loans, affecting its profitability. These provisions are accounted for in its income statement in the "cost of risk" accounting item. Crédit Agricole CIB provisions' level is established depending on loss historic data, volumes, types and maturities of loans granted, economic trend and other factors related to the various types of loan recovery perspectives. Cost of risk includes both charges on defaulted loans (ECL stage 3 under IFRS 9) but also charges in case of deterioration in a counterparty's risk profile (ECL stage 1 and stage 2 under IFRS 9).

In relation to corporates, the credit quality of borrowers could experience a significant deterioration, primarily from increased economic uncertainty and, in some sectors, the risks associated with trade policies of major economic powers. The risks could be exacerbated by the recent practice by which lending institutions have reduced the level of covenant protection in their loan documentation, making it more difficult for lenders to intervene at an early stage to protect assets and limit the risk of non-payment.

The consequences of the Covid crisis are being absorbed, with a recovery in tourism-related sectors (aeronautics, cruise, hotels). Nevertheless, economic conditions, still marked by inflation - particularly in raw materials and personnel costs - are impacting the margins of our corporate clients. Geopolitical developments, including the conflict in the Middle East and its possible extension, pose risks to the global economy, in particular to prices, and especially energy and food prices, as well as supply chains. The impact is marked for the retailers' sector, traditionally with very low margins. The situation of small equipment manufacturers remains difficult in the automotive sector, which is itself embarking on a major structural revolution with the accelerated advent of electric vehicles. In the shipping sector, despite exceptional profits, a certain vigilance is required in the container carrier segment due to massive deliveries in 2023 and 2024 while the economic climate is less benign on the demand side. The dry bulk segment remains under surveillance due to the slowdown in the Chinese economy, its main driver. The difficulties of offshore oil (platforms or drilling vessels) were already present before the pandemic. Asset valuations are impacted by the rise in interest rates, mainly on the commercial real estate portfolio, and in particular in the United Kingdom and the United States.

Crédit Agricole CIB has exposure to many financial institutions, including brokers, commercial banks, investment banks, mutual and hedge funds and other institutional clients, with which it regularly executes transactions. Many of these transactions expose Crédit Agricole CIB to credit risk in the event of counterparty default or financial distress. In addition, Crédit Agricole CIB's credit risk may be exacerbated when the collateral held by Crédit Agricole CIB cannot be disposed of or is liquidated at prices not sufficient to recover the full amount of Crédit Agricole CIB's exposure under the loans or derivatives in default.

The current structural and cyclical environment creates a market configuration that carries liquidity risks for banks and financial institutions. We are witnessing the end of the low or negative interest rate regime, coupled with very large refinancing needs at the end of TLTROs in Europe, whereas in the United States, the Treasury will absorb liquidity for very significant amounts following the increase in the debt ceiling. The post-Covid environment and the war in Europe are also likely to create unexpected market events. As the difficulties of US regional banks in the first half of 2023 have shown, rising rates are a risk factor for some lightly regulated financial institutions. The environment and the market are changing extremely quickly. Deposit bases are more unstable, a situation exacerbated by e-banking, 24/7, media, fintechs, and cryptocurrencies. However, external support, based on interventions by the authorities, has worked in recent cases.

Crédit Agricole CIB seeks to reduce its exposure to credit risk by using risk mitigation techniques such as collateralisation, obtaining guarantees, entering into credit derivatives and entering into netting contracts. Only a portion of Crédit Agricole CIB's overall credit risk is covered by these techniques.

The average portfolio quality remains good with a proportion of investment grade ratings of 88% at 31 December 2023, improving compared to 31 December 2022 (87%).

As at 31 December 2023, the amounts of risk-weighted assets related to credit risks, except those related to securitisation (covered in §D) and except sovereign assets (covered in §E), was €74.5 billion, equal to 54% of total risk-weighted assets.

◆ B – Any significant sector or individual concentration could impact Crédit Agricole CIB's financial situation

Corporate and Investment Banking's clients, like those of its competitors, are essentially large groups, often of a multinational nature, and large financial institutions generating, beyond individual credit quality issues, a natural individual concentration risk in a context of financing activities. Any rating downgrade, default or insolvency of such a large counterparty could have a negative impact on Crédit Agricole CIB's business activities, results and financial position.

However, the Bank is still active in a large number of countries and economic sectors, thus benefiting from the positive effect of sectoral and geographical diversification. Nevertheless, the Group is subject to the risk that certain events may have a significant impact on a particular sector to which it is significantly exposed. For example, energy sector borrowers are subject to risks relating to volatility in energy prices.

As at 31 December 2023, the four major economic sectors of Crédit Agricole CIB were Banking, accounting for €91 billion or 19.8% of total exposures net of export credit guarantees, Other non-banking financial activities for €38 billion (8.3%), Oil & Gas for €32 billion (7.1%) and Electricity for €31 billion (6.8%).

◆ C – Crédit Agricole CIB is subject to counterparty risk on market transactions

Counterparty risk on market transactions is the manifestation of credit risk in connection with market transactions, investments and/or settlements. While Crédit Agricole CIB often obtains collateral or uses set-off rights to address these risks, these may not be sufficient to protect it fully and Crédit Agricole CIB may suffer significant losses as a result of defaults by major counterparties.

The amount of this risk varies over time with changes in market parameters affecting the potential future value of the transactions in question.

Risk-weighted assets specific to this risk amounted to €20.5 billion as at 31 December 2023.

◆ D – Crédit Agricole CIB is exposed to credit risk related to securitisation transactions

Crédit Agricole CIB is exposed to credit risk in connection with its securitisation transactions on behalf of clients. Crédit Agricole CIB (through the Global Markets Division) acts as originator and sponsor for its corporate or financial institutions clients.

The vast majority of the product line's exposures comes from the securitisation conduit business, in which Crédit Agricole CIB is one of the leading global players. The conduits are designed to finance Crédit Agricole CIB's large clients, primarily in Europe, by issuing Asset-Backed Commercial Paper (ABCP) to external investors, mainly in the United States. Crédit Agricole CIB fully supports these multi-seller issuance programs through liquidity lines, thus fully guaranteeing liquidity and credit risks. Crédit Agricole CIB notably sponsors the LMA conduit in Europe and the Atlantic and Lafayette conduits in the United States. Crédit Agricole CIB favours traditional asset classes, notably trade receivables and auto loans/leases, over complex and atypical ones.

The credit risk arising from securitisation transactions is composed of two major risk families. On the one hand, portfolio risk corresponds to credit risk exposure related to assets (default risk of debtors, concentration risk). On the other hand, seller/servicer risk relates to the customers financed and comprises commingling risk (risk that collections cannot be transferred to the securitisation structure in the event of the seller/servicer's bankruptcy), dilution risk (risk that the seller grants the assigned debtor a reduction in the value of the securitised receivables) and set-off risk (risk that the securitised receivables are offset by claims from the obligors). Crédit Agricole CIB has put in place mechanisms to protect against these risks (e.g., insurance of the assets); however, the materialization of these risks could result in credit losses for Crédit Agricole CIB.

Risk-weighted assets related to this risk amounted to €8.3 billion as at 31 December 2023.

◆ E – Crédit Agricole CIB is exposed to country and sovereign risks

As a result of its exposure on numerous countries on all continents, Crédit Agricole CIB is exposed to country risk when the deterioration in the environment or the economic, financial, political or social situation of a country affects the Bank's activities and the quality of the counterparties in that country. Crédit Agricole CIB monitors country risk and takes it into account in the fair value adjustments and cost of risk recorded in its financial statements. However, a significant change in political or macroeconomic environment, in one or more of the countries in which it operates, may require it to record additional charges or to incur losses beyond the amounts previously booked in its financial statements. In particular, the organisation of national elections in several major countries in 2024 could generate or exacerbate the risks of regional or global instability. Lastly, Crédit Agricole CIB has significant exposures in countries outside the OECD, which are subject to risks that include political instability, unpredictable regulation and taxation, expropriation and other risks that are less present in more developed economies.

Crédit Agricole CIB's exposures are distributed between the following geographic regions: France, other Western European countries and North America. For all sectors, Crédit Agricole CIB exposures in these three regions amounted to €94 billion, €142 billion and €89 billion, respectively, at 31 December 2023, representing 21%, 31% and 19% of total exposures, respectively.

Furthermore, commercial commitments in countries rated as non-investment grade on the internal rating scale amounted to 12% of total exposures as at 31 December 2023.

Crédit Agricole CIB is also exposed to sovereign risk under its various commitments to sovereign counterparties (in the event that they default or are unable to meet their contractual obligations). This risk is heightened by the rise in sovereign debt due to the health crisis. Risk-weighted assets specific to this risk amounted to €3.1 billion as at 31 December 2023.

At the end of February 2022, tensions between Russia and Ukraine led to a military conflict, of which the magnitude and duration, nearly two years later, as well as its economic and financial impacts, remain highly uncertain.

The Crédit Agricole CIB group has stopped all financing to Russian companies and all commercial activities in the country since the start of the conflict. However, the Group is exposed directly and indirectly in Russia due to activities that predate the start of the conflict and has booked provisions on performing loans in the first quarter of 2022, in accordance with IFRS.

The exposures recognised in the subsidiary CACIB AO (onshore exposures) represented the equivalent of €0.1 billion at 31 December 2023 compared with €0.2 billion at 31 December 2022 and compared with €0.5 billion at 31 December 2021, with the change over the period due to a significant decline in customer outstandings and to a lesser extent, deposits with the Central Bank of Russia. The subsidiary's equity amounted to approximately €155 million, of which €71 million in equity and €84 million in subordinated debt at 31 December 2023. The amount of capital has remained fairly stable since 31 December 2022. Net income at 31 December 2023 is expected to be in surplus of approximately +€14 million due to significant reversals of provisions for cost of risk due to loan repayments made during the year.

Exposures recognised outside CACIB AO (offshore exposures)[1] represented the equivalent of €1.2 billion at 31 December 2023 (including €1.1 billion recorded on the balance sheet). They decreased by -€1.7 billion compared with 31 December 2022 and -€3.4 billion since the start of the conflict at the end of February 2022. The off-balance sheet portion of offshore exposures (documentary loans, financial guarantees and, to a lesser extent, undrawn confirmed credit facilities) amounted to €0.1 billion at 31 December 2023, down significantly by -€1.5 billion since the outbreak of the conflict.

In the context of the ongoing conflict and the resulting international sanctions, the portfolio continues to be subject to tighter supervision and exposures continue to decline gradually as reimbursements are recorded in strict compliance with international sanctions, and through secondary disposals. As such, from the first quarter of 2022, at the beginning of the conflict, exposures were subject to significant provisioning, mainly on performing exposures. This provisioning is then updated throughout each quarter. Overall, the cost of risk for first half year 2023 relating to Russian exposures reached +€27.5 million, of which +€117.5 million related to performing exposures (Stages 1&2) and -€90 million to specific exposures (Stage 3). The total amount of provisions on Russian exposures reached €347 million at 31 December 2023.

Indosuez Wealth Management's Russian exposure represented the equivalent of €113 million at 31 December 2023, decreasing since 31 December 2022 (equivalent to €220 million).

Variation risk [2] related to derivatives transactions is now nil at 31 December 2023 (versus €0.6 million at 31 December 2022 and versus €60 million at 31 December 2021).

In total, these exposures, of limited size (0.3% of Crédit Agricole CIB total exposures as of 31 December 2023), continue to be closely monitored.

1.2. Financial risks

Financial risks cover the risks associated with the environment in which Crédit Agricole CIB operates, in particular market risk, risk of change in the value of equity investments, foreign exchange risk, liquidity risk, risk of change in the value of the securities portfolios (or issuer risk) and global interest rate risk.

A – The evolution of financial market conditions could impact Crédit Agricole CIB results

Crédit Agricole CIB's businesses are materially affected by conditions in the financial markets, which in turn are impacted by current and anticipated future economic conditions in France, in Europe and in the other regions around the world where Crédit Agricole CIB operates. Crédit Agricole CIB is thus highly exposed to the following risks: in interest rates, security prices, foreign exchange rates, its own issuer spread and the prices of oil, precious metals and other commodities.

Protracted market movements, particularly asset price declines, may weigh on the level of activity in the market or reduce market liquidity. Such developments can lead to material losses if Crédit Agricole CIB cannot close out deteriorating positions in a timely manner.

This may especially be the case for assets held by Crédit Agricole CIB that are not very liquid at the outset. Assets that are not traded on stock exchanges or other public trading markets, such as derivatives contracts between banks, may have values that Crédit Agricole CIB calculates using models other than publicly-quoted prices. Monitoring the deterioration of prices of assets like these is difficult and could lead to losses that Crédit Agricole CIB has not anticipated.

Over the course of 2023, Crédit Agricole CIB was highly mobilised in preparation for the new "benchmark" indices replacing the BOR indices. This reform generates new types of market risks. The abundance of replacement indices generates not only risks related to the valuation of these new indices and their correlation, but also uncertainties about their quality and sustainability. Furthermore, uncertainties persist about future rules for clearing Euro transactions, mainly centred on the continued granting of equivalence to LCH. In February 2022, the European Union extended the authorization for banks in the Eurozone to use LCH until 30 June 2025. If no agreement is reached by then, European banks would be forced to clear all their transactions within the Eurozone, which would have a very adverse impact. To date, LCH remains the only liquid market for transactions in euros, with the LCH/Eurex spread remaining highly sensitive to infrequently processed transaction flows.

Risk-weighted assets specific to market risk amounted to €8.6 billion as at 31 December 2023.

(1) Commercial commitments on the balance sheet and off-balance sheet commitments of customers and banks, net of export credit guarantees, excluding variation risk.
(2) Variation risk corresponds to the Amount at Risk or immediate loss in the event of default, including any margin calls.

B – Crédit Agricole CIB is exposed to liquidity availability and liquidity price risks

Liquidity risk has two aspects: liquidity availability risk and liquidity price risk. With regard to liquidity availability risk, Crédit Agricole CIB is exposed to the risk that its liabilities, including client deposits, short-term market funds and long-term market funds, are insufficient to cover its assets. If this was the case, Crédit Agricole CIB would be at risk of not having the necessary funds to meet its commitments. This situation may result from a systemic crisis (a financial crisis impacting all operators), an idiosyncratic crisis (specific to the Crédit Agricole Group or Crédit Agricole CIB) or a combination of both. The Group's objective in managing liquidity is to be in a position to cope with any type of liquidity crisis over extended periods of time at a reasonable price. As at 31 December 2023, Crédit Agricole CIB's average LCR ratio (Liquidity Coverage Ratio - prudential ratio to ensure the short-term resilience of the liquidity risk profile) was 117%, greater than the regulatory minimum of 100%.

Liquidity price risk is the risk of additional financial costs caused by a change in refinancing spreads. Crédit Agricole CIB's unsecured long-term financing cost is directly related to its credit spread (corresponding to the amount paid to investors in debt instruments issued by Crédit Agricole CIB, exceeding the interest rate of sovereign securities of the same maturity). Changes in credit spreads are continuous, market-driven and subject at times to unpredictable and highly volatile movements. Credit spreads are also influenced by market perceptions of the issuer's creditworthiness, notably reflected in its credit rating.

Credit ratings have a significant impact on Crédit Agricole CIB's liquidity, both in terms of availability and price. A significant rating downgrade could have a significant adverse impact on Crédit Agricole CIB's liquidity and competitiveness. Indeed, ratings influence the amount of liquidity Crédit Agricole CIB can borrow on the markets; they may also, in the event of a significant deterioration, generate an additional liquidity requirement impacting obligations under certain trading, derivatives and hedging contracts. In relation to price, a better rated issuer will benefit, everything else being equal, from a lower price.

The Group's ratings from Moody's, S&P Global Ratings and Fitch Ratings are respectively Aa3 [stable outlook], A+ [stable outlook] and AA- [stable outlook] at 31 December 2023.

C – Crédit Agricole CIB is exposed to foreign exchange risk

Crédit Agricole CIB is not exposed to operational foreign exchange risk, which results from earnings denominated in non-euro currencies, given that these earnings are systematically hedged.

Structural foreign exchange risk results from Crédit Agricole CIB's long-term investments in assets denominated in foreign currencies, mainly the equity of its foreign operating entities, whether they result from acquisitions, transfers of funds from Head Office or the capitalisation of local earnings. These positions are not fully hedged. Indeed, the Group's policy for managing structural foreign exchange positions aims to achieve two main goals: i) prudential, to protect the Group's solvency ratio against currency fluctuations; ii) proprietary interests, to reduce the risk of loss of value for the assets under consideration. The unhedged part is subject to structural foreign risk.

Any unfavourable change in exchange rates will affect the asset value of unhedged long-term investments.

Crédit Agricole CIB main structural foreign exchange gross positions are in US dollars, currencies linked to the US dollar – mainly Middle Eastern and some Asian currencies – pound sterling and Swiss francs.

D - Crédit Agricole CIB is exposed to the risk of change in the value of its securities portfolio

Securities held in the banking book and recognised at fair value are purchased by Crédit Agricole CIB primarily for the purpose of managing liquidity reserves. Their value may fall as a result of changes in interest rates or in the credit quality of the issuer, in respect of debt securities (CSRBB - Credit Spread Risk in the Banking Book) or as a result of a fall in the stock market price for listed shares.

The carrying amount of Crédit Agricole CIB's securities, derivatives portfolios and certain other assets, as well as that of its own debt in its balance sheet, is adjusted at each financial statement date. Most of the adjustments are made based on changes in the fair value of Crédit Agricole CIB's assets and liabilities during an accounting period, with the changes recorded either in the income statement or directly in shareholders' equity. The fact that fair value adjustments are recognised in one accounting period does not mean that further adjustments will not be necessary in subsequent periods.

As at 31 December 2023, gross outstanding debt securities held by Crédit Agricole CIB stood at nearly €38 billion. Accumulated impairments and reserves and negative fair value adjustments due to credit risk were €43 million.

E - Crédit Agricole CIB is exposed to certain interest rate changes

Overall interest rate risk or interest rate risk in the banking book (IRRBB) of a financial institution is the risk incurred in the event of a change in interest rates due to all on- and off-balance sheet transactions, with the exception of transactions subject to market risks. This risk is likely to have an impact on Crédit Agricole CIB's net interest margin and economic value.

Crédit Agricole CIB's exposure to overall interest rate risk on customer transactions is limited given that the majority of loans and deposits are at floating rates and given the interest rate matching rule for each customer financing with the Treasury. Interest rate risk is primarily derived from equity capital and equity investments, the modelling of non-interest-bearing liabilities and from maturities of less than one year from the Treasury activities of the banking book. Crédit Agricole CIB is mainly exposed to changes in interest rates in the Eurozone and, to a lesser extent the US Dollar.

Economic value analysis

At end-December 2023, if interest rates were to fall in the main areas where Crédit Agricole CIB is exposed[1], this would have a positive impact of €0.7 billion on the economic value[2] of its Banking Book; conversely, an increase in interest rates in the main areas in which the Crédit Agricole CIB is exposed would have a

(1) The interest rate shocks used correspond for the economic value analysis to the regulatory scenarios, namely +/- 200 bp in the Eurozone, the United States and Japan and +/- 100 bp in Switzerland, and for the analysis in net interest margin to a uniform shock of +/- 50 bp.
(2) Net present value of the current balance sheet from which the value of own funds and fixed assets is excluded.

negative impact of -€1.2 billion. These impacts are calculated on the basis of a run-off balance sheet over the next 30 years, i.e. without taking into account future production, and therefore do not include the possible dynamic impact of a change in positions in the balance sheet. The average maturity of deposits with no contractual maturity (sight deposits and savings accounts) outside financial institutions is capped at five years; the balance sheet used excludes equity and participations in accordance with the regulatory provisions relating to interest rate risk (Supervisory Outlier Test).

Net interest margin analysis

The sensitivity figures for net interest income below are calculated according to the assumptions defined by the EBA with a pass-through rate of 100%[1], i.e. an immediate pass-through of the change in interest rates to assets and liabilities (for all floating-rate instruments already on the balance sheet, and only for new transactions for fixed-rate instruments) and with demand deposits remaining at their current level without remuneration; in fact, the change in net interest margin would materialize more gradually than the results presented below would suggest.

With a pass-through rate of 100% applied to the various balance sheet items, the sensitivities in year one, year two and year three would respectively be +€113 million, +€10 million and -€59 million for a parallel downward shock scenario, and respectively +€47 million, +€77 million and +€89 million for a parallel upward shock scenario.

◆ F – Any significant variation in the value of equity investments could impact Crédit Agricole CIB results

Crédit Agricole CIB holds equity securities in various Crédit Agricole Group entities (for instance, Crédit Agricole Egypt), but also in external entities as part of its activities (for instance in stock exchanges). Equity securities held by Crédit Agricole CIB in strategic investments could fall in value, requiring Crédit Agricole CIB to recognise impairment charges in its consolidated financial statements, which could negatively impact its results of operations and financial position. Crédit Agricole CIB's degree of control may be limited and any disagreement with other shareholders or with management of the entity may adversely impact the ability of Crédit Agricole CIB to influence the policies of the relevant entity.

As at 31 December 2023, the carrying amount of securities owned by Crédit Agricole CIB was around €0.3 billion, primarily in relation to Crédit Agricole Egypt.

1.3. Operational risks

Crédit Agricole CIB's operational risk is the risk of loss resulting from faulty or inadequate internal processes (particularly those involving staff and IT systems) or from external events, whether deliberate, accidental or natural (floods, fires, earthquakes, terrorist attacks,...).

Within operational risk, non-compliance risks and legal risks (A) can be distinguished from the other risks of losses arising from inadequate or deficient processes, staff and internal systems or from external events which are grouped into "Other operational risks" (B).

Risk-weighted assets specific to these risks amounted to €22.2 billion as at 31 December 2023.

◆ A – Crédit Agricole CIB is exposed to non-compliance risks and legal risks

a) Crédit Agricole CIB is exposed to the risk of fraud

The mission of the Compliance function is to act as second line of defence, in partnership with the businesses, to protect the Bank, its employees and its clients, in particular by combating financial crime and more particularly by preventing money laundering, terrorism financing and fraud.

Amid increasing attempts at external fraud and more complex operating methods (notably via cybercrime), actions have been taken constantly and regularly to prevent, raise awareness, detect and, when necessary, following attempted or successful fraud cases, to start legal proceedings or sanctions. The Business Divisions invest in research and development to reinforce the tools deployed to combat external fraud, through innovative solutions and the development of client services for payment instruments.

Over the 2021-2023 period, the breakdown of Crédit Agricole CIB's operational losses due to internal and external fraud amounted to around 4% of its total operating losses. The "internal fraud" category represented just under 4% of operational losses. The "external fraud" category represented less than 1% of operational losses, excluding credit border risk, consisting of external fraud incidents committed by or at clients that generated or aggravated credit losses. According to Basel principles, those losses were recognised in cost of credit risk.

b) Crédit Agricole CIB is exposed to the risk of paying high damages or fines, risk arising from legal arbitration or administrative proceedings which could be initiated against it

Crédit Agricole CIB has in the past been and may in the future be subject to significant legal proceedings, arbitrations and administrative proceedings, including class action lawsuits. When determined adversely to Crédit Agricole CIB, these proceedings can result in the payment of high damages, fines and penalties. Legal, arbitration or administrative proceedings to which Crédit Agricole CIB has been subject in the past were based in particular on allegations of collusion in setting market benchmarks, violation of international sanctions or inadequate controls. While Crédit Agricole CIB in many cases has substantial defences, even where the outcome of a legal or regulatory proceeding is ultimately favourable, Crédit Agricole CIB may incur substantial costs and have to devote substantial resources to defending its interests.

Organised as a business line, the Legal Affairs Department has two main objectives: to control legal risk, which can give rise to disputes and civil, disciplinary or criminal liabilities and to provide the legal support needed by entities to enable them to carry out their activities, while controlling legal risks and minimising associated costs.

(1) The pass-through rate is the sensitivity of customer rates to a market rate variation.

At the end of December 2023, provisions on operational risks amounted to €201 million for Crédit Agricole CIB. This amount includes provisions for legal risks.

The international scope of Crédit Agricole CIB's operations exposes it to risks inherent in foreign operations, including the need to comply with multiple and often complex laws and regulations applicable to activities in each of the countries in which Crédit Agricole CIB is active, such as local banking laws and regulations, internal control and disclosure obligations, data privacy restrictions, European, US and local anti-money laundering and anti-corruption laws and regulations and international sanctions. Breaches of these laws and regulations could damage Crédit Agricole CIB's reputation, result in litigation, civil or criminal penalties, or have a material adverse effect on Crédit Agricole CIB's business activities. At end-2023, Crédit Agricole CIB operates in 29 countries. This scope includes the parent entity, its subsidiaries and their branches. It does not include held-for-sale and discontinued operations, nor any entities consolidated using the equity method. At the end of 2023, 66% of Crédit Agricole CIB net banking income (excluding intragroup eliminations) came from its two main areas: France and Europe.

For example, in October 2015, Crédit Agricole CIB and its parent company, Crédit Agricole S.A., reached agreements with the US federal and New York State authorities that had been conducting investigations regarding US dollar transactions with countries subject to US economic sanctions. The events covered by this agreement took place between 2003 and 2008. Crédit Agricole CIB and Crédit Agricole S.A., which cooperated with the US federal and New York State authorities during their investigations, have agreed to pay a total penalty in the amount of $787.3 million (i.e., €692.7 million).

◆ B – Crédit Agricole CIB is exposed to other operational risks including Information System Security risks

Other operational risks include risks of losses resulting from inadequate or defective processes, staff and internal systems or external events, excluding fraud which is covered in A. Over the period 2021 to 2023, Crédit Agricole CIB's operational risk incidents covered: the "Execution, delivery and process management" category, which represented 67% of operational losses, the "Employment practices" category (19%) and the "Clients and commercial practices" category (6%). Finally, "Business disruptions and system failures" incidents accounted for 4% of operational losses. The remaining portion of operational losses comes from events related to fraud which is covered in A.

The implementation of European, US and British sanctions in the context of the Russia-Ukraine conflict is a major operational challenge, with an exceptional volume of sanctions.

Risks related to information system security have become a priority, not because of historical losses (in the "business disruptions and system failures" category referred to above), but due to the emergence of new forms of risk. Crédit Agricole CIB is subject to cyber risk, i.e., the risk of a virtually committed malicious and/or fraudulent act aimed at manipulating information (personal, banking/insurance, technical or strategic data), processes and users with a view to causing significant losses to companies, their employees, partners and clients.

Like most other banks, Crédit Agricole CIB relies heavily on its communication and information systems to conduct its business. Any failure, interruption or breach of security in these systems could result in failures or interruptions in its client relationship management, general accounting, deposit, servicing and/or loan organisation systems and give rise to significant costs. The rise in energy prices caused problems for some suppliers of outsourced services.

Crédit Agricole CIB is also exposed to the risk of an operational failure or interruption of one of its clearing agents, foreign exchange markets, clearing houses, custodian banks or other financial intermediaries or external service providers that Crédit Agricole CIB uses to execute or facilitate its securities transactions. As its interconnectivity with its clients grows, Crédit Agricole CIB may also become increasingly exposed to the risk of operational failure of client information systems. Crédit Agricole CIB's communication and information systems, as well as those of its clients, service providers and counterparties, could also experience disruptions or interruptions resulting from acts of cybercrime or cyber terrorism. Crédit Agricole CIB cannot guarantee that such disruptions or interruptions in its own systems or those of third parties will not occur or, if they do occur, that they will be adequately resolved.

1.4. Business risk

Business risk covers systemic risk, i.e. global risk related to the macroeconomic, political and regulatory environment (in particular, legal and tax), and strategic risk, i.e. risk linked to losses, falls in revenue or profits due to decisions over Crédit Agricole CIB's strategic choices and/or competitive positioning.

◆ A - Adverse economic and financial conditions could expose Crédit Agricole CIB to systemic risk that would impact its business and financial position

The businesses of Crédit Agricole CIB are specifically and significantly exposed to changes in financial markets and, more globally, to the development of the economic conditions in France, Europe and the rest of the world. In the financial year ended 31 December 2023, 36% of Crédit Agricole CIB's net banking income was generated in France, 30% in Europe outside France, and 34% in the rest of the world. A deterioration in economic conditions in Crédit Agricole CIB's markets of operation could result from a variety of factors:

- The war in Ukraine, subject to uncertain developments. The risks of a deterioration in the global environment are still very present and likely to significantly disrupt the global economy.
- The Covid crisis and then the war in Ukraine have clearly exposed major issues of sovereignty, preservation of strategic sectors and protection of key supplies, so as not to depend on a hostile power or a single supplier. Combined with the accelerating challenges of the climate transition, changes in countries' industrial strategies are leading to an economic reconfiguration of global value chains and giving rise to forms of protectionism, such as the US Inflation Reduction Act. These movements are likely to lead to additional price pressures and to destabilise economic sectors and stakeholders.
- The hegemonic desires of the major powers lead to geopolitical and trade tensions. Global geopolitical balances are evolving rapidly and the geopolitical landscape is shifting, with no clear indication of exactly what this will look like. In particular, the intensification of tensions between the United States and China and their desire to decouple their economies, notably in the technological sectors, can give rise to multiple scenarios and activate numerous risks: war and trade sanctions, military tensions, around Taiwan and in the South China Sea, etc.
- More generally, geopolitical or political events may occur and more or less abruptly alter relations between governments, as well as the organisation of the global economy, in such a way that it could have a significant impact on the Bank's activities, in the short or long term (possible extension of the conflict in the Middle East, uncertainty about the US stance on international affairs after the November 2024 presidential elections,...).
- Inflation could fall less quickly than expected or even rise again, depending on geopolitical developments and the risks they entail for prices, particularly energy and food prices, and supply chains.
- The rapid rise in interest rates can put some major economic players in difficulty, particularly the most indebted. Difficulties in repaying these debts can cause a significant shock in the markets and have systemic impacts.
- The effects of monetary policy and higher interest rates have not yet fully materialised and may be more negative than expected on client activity and asset quality. More generally, the succession of unprecedented external shocks and difficulties in assessing the resulting economic situation may lead central banks to adopt an inappropriate monetary policy: a premature end to monetary tightening could lead to self-sustained inflation and a loss of central bank credibility, while a policy that is too restrictive for too long could lead to a sharp recession in activity.
- Corporate defaults, which fell sharply in 2020, unrelated to the macroeconomic context, due to massive public support, are gradually normalising but could see their number increase faster than anticipated, also leading to a rise in the unemployment rate.
- Climate events, droughts, floods or a cold winter, can lead to renewed pressures on energy and food prices. Higher inflation would further reduce household purchasing power and worsen conditions for businesses.
- In France, there could also be a significant fall in confidence in the event of a more pronounced decline in the social environment, potentially leading households to spend less and save more as a precaution and companies to delay investments, which could be harmful to the growth and quality of private debt, which has increased more rapidly than in the rest of Europe. A political and social crisis, against a backdrop of weak growth and high public debt, would have a negative impact on investor confidence and could lead to further increases in interest rates and refinancing costs for the government, companies and banks. It would also mean losses on the sovereign portfolios of banks and insurers.

Whatever the cause, the deterioration of economic and financial conditions could have one or several of the following consequences on Crédit Agricole CIB's activities, results and financial position:

- adverse economic conditions would affect the business and operations of Crédit Agricole CIB's clients, which could decrease its revenues and increase the rate of default on loans and other receivables, generating additional cost of risk for Crédit Agricole CIB;
- a fall in bond, equity and commodity prices could impact a significant proportion of Crédit Agricole CIB's business activities;
- macroeconomic policies adopted in response to actual or anticipated economic conditions could have unintended effects and may impact market parameters such as interest rates and foreign exchange rates, which in turn could affect the businesses of Crédit Agricole CIB that are most exposed to market risk;
- perceived favourable economic conditions, global or in specific sectors, could result in the build-up of speculative bubbles which could in turn exacerbate the impact of corrections if conditions became less favourable;
- a significant economic disruption (such as the global financial crisis of 2008, the European sovereign debt crisis of 2011 or the Covid crisis in 2020) could have a significant impact on all of Crédit Agricole CIB's activities, particularly if the disruption

is characterised by an absence of market liquidity that makes it difficult to sell certain categories of assets at their estimated market value, or even prevent any sale.

The economic sectors in which Crédit Agricole CIB operates have been affected in different ways by the health and economic environment. Sectors subject to the most significant deterioration in their risk profile include: shipping (notably bulk carriers, cruise ships, tankers) representing 2.7% of Crédit Agricole CIB's exposures, aeronautics (in particular airlines) representing 3.6% of exposures, real estate (notably hotels, offices and real estate developers) representing 4.8% of exposures, Oil & Gas (oil services, offshore) representing 7.1% of exposures, automotive (parts suppliers) representing 3.0% of exposures, heavy industry representing 3.3% of exposures and construction representing 2.0% of exposures at 31 December 2023.

The deterioration of the risk profile in the various sectors mentioned above, as well as the downgrade of Russian counterparty ratings due to the conflict between Russia and Ukraine, is reflected in the cost of risk for Crédit Agricole CIB and in additional risk-weighted assets reflecting a decline in internal client credit ratings. These two factors combined reduce Crédit Agricole CIB's profitability. In 2022, the internal credit ratings of Crédit Agricole CIB clients were significantly impacted by the evolution of the health crisis and global macroeconomic situation, particularly the consequences of the conflict in Ukraine, which generated cost of risk totalling -€249 million for the Corporate and Investment Banking. In full-year 2023, CIB's cost of risk remained moderate, amounting to -€117 million.

However, in 2023, as in 2022, the diversification of Crédit Agricole CIB's activities remains a major asset, both in terms of sectors, businesses and geographies. The priorities of the new medium-term plan will allow to pursue the development of Crédit Agricole CIB's differentiating segments and to strengthen the consideration of issues related to the energy transition as well as digitalisation in order to preserve and develop market shares.

It is difficult to anticipate the downturn in economic or financial markets and to determine which markets would be most affected. If the business environment or market conditions in France or elsewhere in Europe, or the financial markets as a whole, deteriorate or become significantly more volatile, Crédit Agricole CIB's operations could be disrupted and its activities, performance and financial situation could consequently suffer a significant adverse impact.

◆ B - Adverse legislative and regulatory developments could expose Crédit Agricole CIB to systemic risk that would affect the conduct of its business and its results of operations

Crédit Agricole CIB is subject to extensive regulation and supervisory regimes in the jurisdictions in which Crédit Agricole CIB operates. By way of illustration, such regulations pertain to, in particular:

- regulatory and supervisory requirements applicable to credit institutions, including prudential rules on capital adequacy and minimum capital and liquidity requirements, risk diversification, governance, restrictions on the acquisition of holdings and compensation (CRR and CRD);
- rules applicable to bank recovery and resolution (BRRD);
- regulations governing financial instruments (including bonds and other securities issued by Crédit Agricole CIB), as well as rules relating to financial information, disclosure and market abuse (MAR);
- monetary, liquidity, interest rate and other policies of central banks and regulatory authorities;
- regulations governing certain types of transactions and investments, such as derivatives, securities financing and money market funds (EMIR);
- regulations on market infrastructure, such as trading platforms, central counterparties, central securities depositories and securities settlement systems;
- tax and accounting laws, as well as rules and procedures relating to internal control, risk management and compliance.

In addition, Crédit Agricole CIB is supervised by the ECB and contributes to the Crédit Agricole Group's recovery plan submitted each year to the ECB, in accordance with applicable regulations.

Failure to comply with these regulations could have significant consequences for Crédit Agricole CIB: significant interventions by regulatory authorities and fines, international sanctions, public reprimands, reputational damage, enforced suspension of its operations or, in extreme cases, withdrawal of its authorisations to operate. In addition, regulatory constraints could significantly limit the ability of Crédit Agricole CIB to expand its business or to carry on certain existing business activities.

Furthermore, some legal and regulatory measures have come into force in recent years or could be adopted or amended with a view to introducing or reinforcing a number of changes, some permanent, in the global financial environment. While the objective of these new measures is to avoid a recurrence of the global financial crisis, they have changed substantially, and may continue to change, the environment in which Crédit Agricole CIB and other financial institutions operate. The measures that have been or may be adopted in the future include more stringent capital and liquidity requirements (particularly for large global institutions and groups such as Crédit Agricole S.A.), taxes on financial transactions, caps or taxes on employee compensation over specified levels, limits on the types of activities that commercial banks can undertake (prohibition or limitation of own-account trading activities, investments and holdings in private equity and hedge funds), ring fencing requirements relating to certain activities, restrictions on the types of entities permitted to enter into swaps, restrictions on certain types of activities or financial products such as derivatives, mandatory write-downs or conversions into equity of certain debt instruments in the event of resolution proceedings, enhanced recovery and resolution regimes, revised risk-weighting methodologies, periodic stress testing and the creation of new and strengthened regulatory bodies. Some of the new measures adopted after the financial crisis will soon be modified, impacting the predictability of the regulatory regimes to which Crédit Agricole CIB is subject.

As a result of some of these measures, Crédit Agricole CIB has been compelled to reduce the size of certain of its business activities in order to comply with the new requirements created by the measures. These measures also lead to increased compliance costs and are likely to continue to do so. In addition, some of these measures may also significantly increase Crédit Agricole CIB's funding costs, particularly by requiring Crédit Agricole CIB to increase the portion of its funding consisting of capital and subordinated debt, which carry higher costs than senior debt instruments.

Nevertheless, a number of adjustments and regulatory changes (as well as delays regarding the date of application of certain rules, particularly those relating to prudential requirements) were made by the national and European authorities in the first half of 2020 linked to the current Covid-19 health crisis. Some of these measures have been or will be reversed at a short-term horizon, but it is still unclear if the other adjustments, developments and changes in regulations as a result of the health crisis will be long-term or temporary and it is therefore impossible at this stage to determine or measure their impact on Crédit Agricole CIB.

C - Crédit Agricole CIB may not be able to achieve the objectives set out in its medium-term plan, exposing it to strategic risk

On 22 June 2022, Crédit Agricole S.A. announced its 2025 medium-term plan ("2025 Ambitions").

The 2025 Medium-Term Plan includes a number of financial targets relating to revenues, expenses and profitability. These financial targets were established primarily for purposes of internal planning and allocation of resources and are based on a number of assumptions with regard to economic and commercial conditions. The financial targets do not constitute projections or forecasts of anticipated results. The actual results of Crédit Agricole CIB are likely to vary (and could vary significantly) from these targets for a number of reasons, including the materialisation of one or more of the risk factors described elsewhere in this section.

For example, at the end of 2025, the Large Customer division of Crédit Agricole S.A., which includes the CIB activities of Crédit Agricole CIB, targets to generate a compounded annual growth rate (CAGR) of revenues of 4 to 5%, with profitability of more than 14%. The CIB activities of Crédit Agricole CIB also target to keep a low cost-to-income ratio, below 55% (excluding the contribution to the Single Resolution Fund).

The plan's success depends on a very large number of initiatives (some significant and other modest in scope) to be deployed within Crédit Agricole CIB's various activites. The 2025 Medium-Term Plan also provides for significant investments, but if the objectives of the plan are not met, the return on these investments will be less than expected.

If Crédit Agricole CIB fails to reach the objectives that were defined in its 2025 Medium-Term Plan, its financial situation and its results could be impacted significantly.

1.5. Climate and environmental risks

Crédit Agricole CIB is exposed to the risks incurred by climate and environmental change.

Climate and environmental risks are risk drivers that influence the other major risks of the Bank (credit, market, operational, etc.), resulting from Crédit Agricole CIB's exposures to counterparties that can be affected by climate of environmental hazards.

Impacts of the climate and environmental drivers on reputation have been framed by the CSR policies for many years. However, new issues arise with the development of transactions so-called "green" or "sustainable" and with the public commitments taken by Crédit Agricole CIB which, if they were not met, would cause reputation risk (adhesion to the Net Zero Banking Alliance via the Crédit Agricole Group notably). Crédit Agricole CIB might face controversies by being challenged by third parties if they deem that Crédit Agricole CIB failed to meet these commitments. These risks had no consequences up to now but could have major ones in the future.

For example, on 14 December 2023 Crédit Agricole S.A. announced the implementation of measures aimed at enhancing its climate strategy and published new decarbonisation trajectories for its loan books to contribute to the goal of carbon neutrality by 2050. For Crédit Agricole CIB, the most significant commitments include a -75% reduction in financed emissions from the oil & gas sector by 2030 (vs. -30% announced on 6 December 2022); cessation of all funding for any new fossil extraction projects; protection of the Arctic region, where Crédit Agricole CIB excludes all direct financing of oil and gas projects; a significant reduction of exposure to oil extraction by -25% from 2020 to 2025; a -58% reduction in gCO_2eq emissions per kWh produced by electricity producing clients; a -50% reduction in gCO_2eq emissions per km travelled by car manufacturing clients; a -20% reduction in gCO_2eq attributable to cementitious materials linked to the financing of cement-producing clients; and a -40% reduction in gCO_2eq emissions per square meter per year generated by the buildings of clients in the commercial real estate portfolio. In the interest of promoting renewable energy financing, Crédit Agricole CIB also undertakes to increase its exposure to low-carbon energy production by +80% from 2020 to 2025 (vs. +60% announced on 6 December 2022). Exposure to green buildings in the commercial real estate portfolio should also climb +50% by 2025 vs 2020. The Group has also published ambitions for new sectors where Crédit Agricole CIB has a strong presence: aviation (-25% reduction of gCO_2eq emissions generated by RTK by 2030 (paid metric tons transported/kilometre) compared to 2019), shipping (-36% reduction in financed emissions in gCO_2eq/DWT.nm, by 2030 compared to 2020, excluding passenger transport), and steel (-26% reduction in the intensity of gCO_2 emissions per metric ton of steel produced by 2030 compared to 2020).

Moreover, Crédit Agricole CIB could be exposed to credit risk deriving from climate or environmental hazards. Thus, when Crédit Agricole CIB lends to companies whose activities generate significant quantities of greenhouse gases, it is exposed to the risk that more stringent regulations or limitations are imposed on its borrower which could have a material adverse impact on its borrower's credit quality and thus reduce the value of Crédit Agricole CIB's loan portfolio (energy transition risk). Such consequences can also arise from technological changes accelerating the transition to a low-carbon economy, or from evolutions in end-customer preferences (increase in the leverage ratios to finance transition).

Crédit Agricole CIB is also subject to physical risks, i.e., the risk that acute weather episodes or a long-term change in climate models (leading to a rise in water levels, for example) damage its own facilities or those of its clients. However, Crédit Agricole CIB is mainly present in countries which would have financial capacity to deal with the costs triggered by such phenomena, both in terms of prevention and of damage repair.

With the acceleration of constraints related to transition to combat climate change, the intensification of acute climatic phenomena and the challenge of preserving resources, Crédit Agricole CIB will have to adapt its activities and the selection of its counterparties appropriately in order to achieve its strategic objectives, avoid incurring losses and limit its reputation risk.

1.6. Risks relating to the structure of the Crédit Agricole Group

A - If any member of the Crédit Agricole Network encounters future financial difficulties, Crédit Agricole S.A. would be required to mobilise the resources of the Crédit Agricole Network (including Crédit Agricole CIB's resources) to support that member

Crédit Agricole S.A. is the central body of the Crédit Agricole Network, consisting of Crédit Agricole S.A., the Regional Banks and the Local Banks, pursuant to Article R. 512-18 of the French Monetary and Financial Code ("*Code monétaire et financier* - CMF"), as well Crédit Agricole CIB and BforBank as affiliate members (the "Network").

Under the legal internal financial solidarity mechanism provided for in Article L. 511-31 of the French Monetary and Financial Code, Crédit Agricole S.A. (corporate entity), in its capacity as central institution, must take all necessary measures to guarantee the liquidity and solvency of each of the member institutions in the Network and of the entity as a whole. As a result, each member of the Network benefits from and contributes to this internal financial solidarity. The general provisions of the CMF are reflected in the internal provisions setting out the operational measures required for this legal internal financial solidarity mechanism. More specifically, they have established a Fund for Bank Liquidity and Solvency Risks (FRBLS) designed to enable Crédit Agricole S.A. to fulfil its role as central body by providing assistance to any members of the Network that may experience difficulties.

Although Crédit Agricole S.A. is not currently aware of any circumstances that may require it to use the FRBLS to support a member of the Network, there can be no assurance that there will no need to use the Fund in the future. In such circumstances, if the resources of the FRBLS were to be insufficient, Crédit Agricole S.A., as part of its role as the central body, would be required to make up the shortfall from its own resources and, where appropriate, those of the other members of the Network, including Crédit Agricole CIB.

As a result of this obligation, if a member of the Network encounters major financial difficulties, the event underlying these financial difficulties could then impact the financial situation of Crédit Agricole S.A. (corporate entity) and that of the other members of the Network (including Crédit Agricole CIB) called upon to provide support under the financial solidarity mechanism.

The European banking crisis management framework was adopted in 2014 by EU Directive 2014/59 (known as the "Bank Recovery and Resolution Directive - BRRD"), incorporated into French law by Order 2015-1024 of 20 August 2015, which also adapted French law to the provisions of European Regulation 806/2014 of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund. Directive (EU) 201/879 of 20 May 2019, known as "BRRD2", amended the BRRD and was incorporated into French law by Order 2020-1636 of 21 December 2020.

This framework, which includes measures to prevent and to resolve banking crises, is intended to preserve financial stability, to ensure the continuity of activities, services and operations of institutions whose failure could significantly impact the economy, to protect depositors and to avoid or limit the use of public financial support as much as possible. In this context, the European Resolution Authorities, including the Single Resolution Board, have been granted extensive powers to take all necessary measures in connection with the resolution of all or part of a credit institution or the group to which it belongs.

For cooperative banking groups, the "extended single point of entry" ("extended SPE") resolution strategy is favoured by the resolution authorities, whereby resolution tools would be applied simultaneously at the level of Crédit Agricole S.A. (corporate entity) and the affiliated entities (including Crédit Agricole CIB). In this respect, and in the event that the Crédit Agricole Group goes into resolution proceedings, the scope comprising Crédit Agricole S.A. (in its capacity as central institution) and its affiliated entities (including Crédit Agricole CIB) would be considered together as the expanded single entry point. Given the foregoing and the solidarity mechanisms that exist within the network, a member of the Crédit Agricole network cannot be put individually in resolution.

The resolution authorities may initiate resolution proceedings against a credit institution where it considers that: the institution has failed or is likely to fail, there is no reasonable prospect that another private measure will prevent the failure within a reasonable time, a resolution measure is necessary and a liquidation procedure would be inadequate to achieve the resolution objectives mentioned above.

The resolution authorities may use one or more resolution tools, as described below, with the objective of recapitalising or restoring the viability of the institution. The resolution tools should be implemented in such a way that equity holders (shares, mutual shares, CCIs, CCAs) bear losses first, with creditors following up immediately, provided that they are not excluded from bail-in legally speaking or by a decision of the resolution authorities. French law also provides for a protective measure when certain resolution tools or decisions are implemented, such as the principle that equity holders and creditors of an institution in resolution may not incur greater losses than those they would have incurred if the institution had been liquidated in the context of a judicial liquidation procedure under the French Commercial Code (NCWOL principle referred to in Article L. 613-57.I of the CMF). Thus, investors are entitled to claim compensation if the treatment they receive in a resolution is less favourable than the treatment they would have received if the institution had been subject to normal insolvency proceedings.

In the event that the resolution authorities decide to put the Crédit Agricole Group in resolution, they will first write down the CET1 instruments (shares, mutual shares, CCI and CCA), additional Tier 1 and Tier 2 instruments, in order to absorb losses and then possibly convert the additional Tier 1 and Tier 2 instruments into equity securities(1). Then, if the resolution authorities decide to use the bail-in tool, the latter would be applied to debt instruments(2), resulting in the partial or total write-down of these instruments or their conversion into equity in order to absorb losses.

With respect to the central body and all affiliated entities, the resolution authorities may decide to implement, in a coordinated manner, impairment or conversion measures and, where applicable, bail-ins. In such an event, the impairment or conversion

(1) Articles L. 613-48 and L. 613-48-3 of the French Monetary and Financial Code.
(2) Articles L. 613-55 and L. 613-55-1 of the French Monetary and Financial Code.

measures and, where applicable, Bail-ins measures would apply to all entities within the Crédit Agricole network, regardless of the entity in question and regardless of the origin of the losses.

The creditor hierarchy in resolution is defined by the provisions of Article L 613-55-5 of the CMF, effective as at the date of implementation of the resolution.

Equity holders and creditors of the same rank or with identical rights in liquidation will then be treated equally, regardless of the group entity of which they are creditors.

The scope of this bail-in, which also aims to recapitalise the Crédit Agricole Group, is based on capital requirements at the consolidated level.

Investors must then be aware that there is therefore a significant risk that holders of shares, mutual shares, CCIs and CCAs and holders of debt instruments of a member of the network will lose all or part of their investment if a resolution procedure is implemented on the Group, regardless of the entity of which they are a creditor.

The other resolution tools available to the resolution authorities are essentially the total or partial transfer of the activities of the institution to a third party or to a bridge institution and the separation of the assets of the institution.

This resolution framework does not affect the legal internal financial solidarity mechanism enshrined in Article L. 511-31 of the CMF, which applies to the Crédit Agricole network, as defined in Article R. 512-18 of the same Code. Crédit Agricole S.A. considers that, in practice, this mechanism should be implemented prior to any resolution procedure.

The implementation of a resolution procedure to the Crédit Agricole Group would thus mean that the legal internal solidarity mechanism had failed to remedy the failure of one or more network entities and hence of the network as a whole.

2. RISK MANAGEMENT

This section of the management report presents the risk appetite of the Crédit Agricole CIB group, the nature of the main risks the Group is exposed, the magnitude and the arrangement put in place to manage these risks.

The information presented in accordance with IFRS 7, relating to disclosures on financial instruments covers the main following risk types[(1)] :

- credit risks;
- market risks;
- structural risk of balance sheet management: global interest risk, foreign exchange risk and liquidity risk.

To cover all the inherent risk to the banking activity, additional information is provided concerning:

- operational risks;
- legal risks;
- non-compliance risks.

In accordance with regulatory provisions and the profession's good practices, the risk management within Crédit Agricole CIB group results in governance in which each role and responsibility is clearly identified, as much as in methodologies and effective and reliable risk management procedures in order to measure, monitor and manage all the risks incurred at the Group level.

2.1. Concise statement on risks

Statement prepared in compliance with Article 435(1)(f) of Regulation (EU) No. 575/2013.

Crédit Agricole CIB has learned from the 2007/2008 crisis and has considerably reduced its risk appetite, primarily by suspending or cutting back on some of its market activities. Its strategic guidelines, management and control systems have therefore been scaled in such a way as to maintain a controlled risk profile which is adapted to well thought out commercial ambitions, an uncertain economic climate and greater regulation.

This model has proven its resilience since 2011 by generating sustainable profitability, with recurring revenue, while retaining relatively little exposure to market volatility, including during recent crises (Covid-19 in 2020, Russia-Ukraine crisis in 2022). The risk profile is controlled, as it is based on a prudent approach.

Crédit Agricole CIB's risk appetite was formalized and approved for the first time by its Board of Directors on 30 July 2015. It is updated regularly and at least annually by the Board to ensure that it remains consistent with the financial objectives of Crédit Agricole CIB and that it reflects the regulatory constraints, in particular Pillar II.

The 2023 risk appetite was approved by the Board on 9 December 2022. Additional information was approved by the Board on 7 February 2023 (cost of risk, IT security risk), 28 July 2023 (liquidity indicators, methodology relating to operational risk and non-compliance indicators) and 6 November 2023 (liquidity indicator - CCD).

2.1.1 Risk appetite framework

CRÉDIT AGRICOLE GROUP APPROACH AND RISK LEVELS

In accordance with the Crédit Agricole Group's approach, Crédit Agricole CIB expresses its risk appetite qualitatively as well as quantitatively based on key indicators, the most significant of which are broken down into several risk levels:

- appetite is used for managing normal and everyday risk. It is expressed in budget targets for solvency and liquidity and in operational limits for market and counterparty risks, any breach of which is immediately flagged up and then reported to Executive Management for a decision, within the designated committees or bodies, depending on the indicator;
- tolerance is used for exceptional management of an increased level of risk. Any breach of tolerance thresholds triggers an immediate report both to the Group Risk Management Department (DRG) and to the Chairman of the Risk Committee of Crédit Agricole CIB, which is then, if necessary, referred up to the Board of Directors;
- capacity refers to the maximum level of risks that Crédit Agricole CIB could theoretically take on without infringing its operational or regulatory constraints.

ROLE OF THE BOARD OF DIRECTORS

Crédit Agricole CIB's risk appetite is approved by its Board of Directors, following a proposal by Executive Management and after it has been examined by the Risk Committee. Crédit Agricole CIB's risk profile is examined on a regular basis, at least quarterly, by the Risk Committee and by the Board of Directors to ensure that it is still compliant with the risk appetite which has been defined and, if necessary, to adjust it to changes to the economic climate, regulatory constraints and with Crédit Agricole CIB's commercial and financial goals.

Over the course of 2021, CA Indosuez Wealth (France) absorbed CA Indosuez (Group) to become the new group head entity for the wealth management business: CA Indosuez. CA Indosuez establishes its own risk appetite dashboard and risk appetite statement, consolidating all wealth management activities. These documents are now submitted to the Board of Directors of CA Indosuez: annually for approval of indicators and thresholds, then quarterly for the monitoring of the risk profile, without requiring a second submission to the Crédit Agricole CIB Board of Directors.

Crédit Agricole CIB continues to consolidate the exposures of the CA Indosuez sub-group in its risk profile and to report them to its Board of Directors, in particular for the risks managed globally.

- Risk appetite, specific risk frameworks and sector policies

Every business line, country or significant sector of the Bank defines periodically a risk framework that is specific to it and

(1) This information is an integral part of the consolidated financial statements as of 31 December 2023 and, as such, it is covered by the Statutory Auditors' report on the consolidated financial statements.

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consistent with its financial objectives and its competitive positioning. These risk frameworks are approved by the Strategies and Portfolios Committee (CSP) chaired by the Executive Management and, if necessary, by the Group Risk Committee (CRG) chaired by the Executive Management of Crédit Agricole S.A. for risk frameworks which the shareholder wishes to authorize at its level and then lastly, in compliance with the Ministerial Order of 3 November 2014, by the Board of Directors.

Crédit Agricole CIB has also introduced Corporate Social Responsibility (CSR) sector policies in cooperation with the Group to manage the reputational risks stemming from the social and environmental impacts of its activities. These policies set out analysis criteria for these specific risks, which may cause Crédit Agricole CIB not to complete a transaction which displays (or in some cases does not display) certain characteristics (required or excluded) such as armaments,nuclear or coal sector (see Chapter 2 of the present Universal Registration Document). Much like the specific risk frameworks, these sector policies are approved by the CSP and then by the Board of Directors.

Ultimately, Crédit Agricole CIB's risk appetite therefore comprises the following five components which form a coherent whole with the Bank's commercial strategy:

i. the overall risk framework;

ii. the dashboard of key indicators broken down into three risk levels, monitored quarterly;

iii. this concise statement;

iv. the specific risk frameworks updated periodically;

v. the sector policies.

◆ Types of risk: risks selected and risks incurred

In order to achieve its commercial and financial goals, Crédit Agricole CIB chooses most of its risks: counterparty risks, market risks and liquidity risks are taken on intentionally to generate income and profit. Therefore, Crédit Agricole CIB defines its appetite by ensuring that risks are in proportion with its commercial strategy and financial objectives, taking into account its previous performance, competitive position and the current economic cycle, while ensuring that all regulatory requirements, particularly those related to solvency and liquidity, are met.

Other risks such as operational and certain non-compliance risks are essentially incurred, although the implementation of protective measures and control systems limits their occurrence and possible consequences. The Bank has no appetite for these risks. The Bank's appetite is then expressed by indicators that best reflect certain control and monitoring processes designed to reduce the impact of those risks to an incompressible and tolerated minimum.

2.1.2 Overall risk profile at 31 December 2023

In June 2022, Crédit Agricole S.A. announced the Group's Strategic Plan "2025 Ambitions", deployed at the Crédit Agricole CIB level. This roadmap sets out the strategic directions for the next three years, in an environment that remains complex and uncertain. The evolution of the economic and financial context (energy crisis in Europe, change in monetary policies, return of inflation, risk of recession, etc.) exacerbated by geopolitical tensions leads Crédit Agricole CIB to maintain a prudent and proactive risk framework.

In agreement with the Group's Strategic Plan, the Crédit Agricole CIB Strategic Plan "2025 Ambitions" is structured around the following elements:

- A strong commitment on energy transition with the objective of becoming the reference player in this field, by supporting its clients and society towards low-carbon energy sources;
- A long-term approach to the digital sector, based on the digitalization of processes and service offerings, in order to gain client proximity and achieve operational excellence;
- An ambitious strategy centered on rebalancing the client mix by increasing the share of financial institutions and financial sponsors in the client portfolio, strengthening global franchise for European customers with a wide range of sectoral offerings and a more selective approach outside Europe, focusing primarily on differentiating sectors;
- Investment in business lines to develop their franchises: further development of cash management and working capital solutions, confirmation of a leading position in financing real assets, increase in the distribution and rotation of assets, diversification of product offerings for capital markets, expansion of the Advisory offer.

At 31 December 2023, the overall risk profile of Crédit Agricole CIB for the risks listed below, was below the tolerance level approved by its Board of Directors, except for one of the IT security risk indicators.

GLOBALLY MANAGED RISKS: SOLVENCY, LIQUIDITY AND STRUCTURAL FOREIGN EXCHANGE

◆ Solvency

Key solvency risk indicators include:

- the Risk-Weighted Assets (RWA) calculated using regulatory methods;
- the economic capital need originating from the "Internal Capital Adequacy Assessment Process" (ICAAP – see Chapter 5, section 3.1 of the present Universal registration document);
- the Common Equity Tier 1 (CET1) ratio;
- the leverage ratio.

The regulatory RWAs are used to quantify nearly all of Crédit Agricole CIB's risks: credit risks, market risks and operational risks. This key indicator fully expresses the overall quantity of risk that the Bank is willing to take on (appetite), does not wish to exceed under any circumstances (tolerance) and the maximum risk in accordance with the regulatory constraints (capacity).

At 31 December 2023, Crédit Agricole CIB's regulatory RWAs stood at €137.2 billion, €132.8 billion at current rate (see Chapter 5, section 3.2.1.1 of the present Universal registration document) and were below the Bank's tolerance threshold.

The internal economic capital needs are calculated using more economical methodologies than regulatory approaches. This calculation considers risks not included in Pillar 1 and quantifies them using in-house methodologies. The internal economic capital needs of Crédit Agricole CIB are below its tolerance level.

CET1 ratio corresponds to the ratio of Common Equity Tier 1 capital, divided by Crédit Agricole CIB's risk-weighted assets. At 31 December 2023, the CET1 phased-in ratio stood at 12.7% (see Chapter 5, section 3.1 of the present Universal registration document) and is above the Bank's tolerance threshold.

The leverage ratio is defined as Tier 1 capital divided by the leverage exposure which is composed of balance sheet assets and restated off balance sheet assets (conversion factors and derivatives). This regulatory constraint has to be respected at all time since the 28th of June 2021. At 31 December 2023, the leverage ratio stood at 3.8% (see Chapter 5, section 3.1 of the present Universal registration document) and was above the Bank's tolerance level.

Liquidity

Key liquidity risk indicators include:

- resistance periods for short-term liquidity stress;
- the Stable Resources Position (SRP);
- the Liquidity Coverage Ratio (LCR); and
- The Net Stable Funding Ratio (NSFR);
- The Credit Collection Deficit (CCD);
- the Short-Term List (STL).

Short-term liquidity stress is applied based on crisis scenarios that Crédit Agricole CIB believes that it could face should an event affect the Group (idiosyncratic crisis), the whole of the inter-bank market (systemic crisis), or a combination of the two (global crisis).

The SRP, defined as a long-term surplus of resources over stable assets, aims to protect business lines from the consequences of market stress.

The LCR requires the Bank to retain sufficient unencumbered High-Quality Liquid Assets (HQLA) that can be converted into cash, easily and immediately, on private markets, assuming a liquidity crisis lasting 30 calendar days.

The NSFR is a one-year liquidity ratio, putting a limit on the transformation the Bank can do by requiring stable assets to be financed by a minimum amount of stable liabilities.

The CCD tracks the back-to-back business activities to customer resources. A negative CCD reflects a lack of customer resources on commercial assets.

The STL provides a framework for net short-term debt.

At 31 December 2023, all of these indicators were compliant with the Bank's tolerance in this area, notably with the average LCR of 116.9%, well above the regulatory requirement of 100% and the NSFR of 113.1% also above the regulatory requirement of 100%.

Structural foreign exchange risk

Crédit Agricole CIB opts not to hedge certain structural foreign exchange positions resulting from its USD capital investments in its international entities in order to minimize the variations in the CET1 ratio. Crédit Agricole CIB's equity then varies according to the EUR/USD exchange rate on these unhedged structural positions. Crédit Agricole CIB is exempted from any capital requirements on this structural foreign exchange risk. Since 1 January 2022, in order to continue to benefit from this exemption, Crédit Agricole CIB defines an ad-hoc risk appetite, on the basis of two indicators:

- the sensitivity of the CET1 ratio to a EUR/USD parity change of +/- 15%;
- the capital loss related to a EUR/USD parity change of +/- 30%.

As at 31 December 2023, all these indicators are in compliance with the Bank's tolerance in this regard.

RISKS SPECIFICALLY MANAGED WITHIN THE CORPORATE AND INVESTMENT BANKING (CIB) BUSINESS LINE

Credit risks

The CIB of Crédit Agricole CIB's focuses on debt-related business: credit risk is therefore central to its activities and is by far the greatest risk. Like Crédit Agricole CIB's competitors, CIB clients are often large multinationals or major financial institutions which by their very nature, in addition to individual creditworthiness issues, generate a concentration risk in this area. This risk should however be put into perspective by viewing the Crédit Agricole Group as a whole.

However, the Bank is active in a large number of countries and economic sectors, thus benefiting from the positive effect of sectoral and geographical diversification. This effect is measured and monitored under ICAAP.

Therefore, Crédit Agricole CIB's risk appetite is defined in accordance with five key indicators:

- expected losses (EL) within one mid-cycle year for all of its exposures using the internal ratings-based approach (IRBA), excluding defaulted exposures;
- the share of defaulted outstandings in total outstandings and their provisioning rate;
- unexpected losses due to the sudden and simultaneous default of several investment grade counterparties;
- the "underwriting risk for corporate clients", whose thresholds are defined according to the credit quality of the borrower, which limits the temporary credit risk incurred by Crédit Agricole CIB for any corporate group during an underwriting transaction on debt instruments.

At 31 December 2023, all five indicators were below the Bank's tolerance thresholds.

Market risks

A series of refocusing and adaptation plans have reduced Crédit Agricole CIB's market activity and the resulting risk. This redimensioning plan followed the response to the financial crises of 2007/2008, and then 2011, and the choice to discontinue activities which were deemed to be non-strategic or below their critical size. Crédit Agricole CIB has put in place a resilient model based on a balanced business model in which capital markets activities are part of the continuity of financing activities with a diversified client portfolio. The Bank also suspended its own-account activities and, under the French Banking Law (LBF), was not required to set up an ad-hoc subsidiary. Finally, the Bank's treasury activity is responsible for the sound and prudent management of cash within the Finance department, as required under the LBF.

Crédit Agricole CIB has retained appetite for market risks, when such risks are generated by supplying corporate clients and financial institutions with the investment products and services that they require (including some structured products) and by assuming its role as a market maker for certain market segments and instruments.

Therefore, Crédit Agricole CIB's market risk appetite is defined in accordance with three key indicators:

- maximum one-day loss within a confidence interval of 99%, or Value-at-Risk ("VaR" see the definition and the method of calculation - see Chapter 5, section 2.5.2.1 of the present Universal registration document);
- adverse extreme stress (see see the definition and the method of calculation - see Chapter 5, section 2.5.2.1 of the present Universal registration document), to quantify maximum loss in theoretical extreme market conditions which systematically contradict the Bank's positions;
- stress on the HTCS[1] portfolio, which measures the value loss in case of stress on Crédit Agricole CIB securities portfolio classified in HTCS under IFRS 9.

At 31 December 2023, these indicators were below the Bank's tolerance threshold, in particular with a VaR of €11 million (see Chapter 5, section 2.5.2.1 of the present Universal registration document).

(1) *Held to Collect and Sell.*

Operational risks including legal, non-compliance and it security risks

Crédit Agricole CIB has no appetite for operational risks in general and to an even lesser extent for legal and non-compliance risks. However, any banking activity which generates income may lead to juridical, administrative or disciplinary sanctions in the event of a failure to comply with the rules relating to this activity, whether they be laws, regulations, professional or ethical standards, or even instructions from the Bank's managers. Crédit Agricole CIB manages the non-compliance risk situations inherent to income generation by measuring:

- the proportion of activities performed with the riskiest clients from a financial security viewpoint;
- the proportion of activities performed for the most complex market products;
- KYC Compliance rate on new relationships;
- screening alert processing rate aiming at identifying possible breaches of the international sanctions measures;
- conduct risk, which is the risk of inappropriate behavior, with regard to regulation and ethics, of one or more employees, in their relations with customers, financial markets, third parties (suppliers, partners, etc.) or other employees, the financial or non-financial consequences of which would be detrimental to the image or the sustainability of the entity.

Crédit Agricole CIB measures its operational risks globally, all risk factors combined, by defining two key indicators:

- the cost of operational risk recognized, as a % of NBI generated over the period;
- significant operational risk incidents.

Crédit Agricole CIB has defined six Indicators covering two major IT security issues: intrusion protection and resilience:

- employee awareness of cyber security - success rate on phishing tests;
- desktop protection - proportion of workstations on the network that have active anti-virus software;
- protection of internet services - number of applications exposed on the internet that are very outdated in our data centers;
- IT contingency plan - proportion of business critical applications whose recovery plan in the event of destruction or unavailability of a data center has been successfully tested;
- application rebuild following logical destruction - proportion of mission-critical or mission-critical applications whose recovery plan in case of logical destruction of computer backup has been successfully tested;
- access to IT back-up after logical destruction of desktop - testing remote access through the MOVIS app for authorized users - Users able to work.

At 31 December 2023, all the indicators of market risk and operational risk were below their tolerance threshold. Concerning IT security risks, all indicators were below their tolerance threshold except the indicator "number of applications exposed on the Internet that are very obsolete in our data centers". Migrations to address this situation are planned for 2024.

Climate and environmental risks

Climate and environmental risks are primarily credit, financial and operational risk factors, the impacts of which are subject to an analysis of transmission channels and an assessment of their materiality, differentiated according to portfolios and risks. For example, Crédit Agricole CIB considers that non-climate hazards do not, at this stage, significantly affect its credit and financial risks. An ad hoc framing is justified only when this impact is deemed material over the horizon of the underlying exposures.

The impact of climate and environmental factors on the credit risk is analyzed in the relevant specific risk frameworks (e.g. oil and gas, shipping finance) and has resulted in a limit or sub-limit on 4 portfolios. As at 31 December 2023, Crédit Agricole CIB respects these limits.

Climate and environmental issues are also factors of reputational risk that Crédit Agricole CIB limits through the sectoral policies and Equator principles mentioned in §2.1.1 above.

At 31 December 2023, Crédit Agricole CIB was not exposed to any reputational risk and was compliant with its CSR sector policies.

Statement on the adequacy of risk management frameworks

In accordance with Article 435-1-e of CRR (Regulation (EU) No 575/2013) and based on all the information that they received during 2022, the Board of Directors have considered at their meeting of 6 February 2024 that the risk management frameworks put in place by Crédit Agricole CIB were adequate considering the Bank's profile and strategy.

2.2. Structure of the risk function

The Risk and Permanent Control (RPC) Department is in charge of the supervision and permanent control of risks across the Crédit Agricole CIB group's entire scope of consolidated supervision. It carries out second-level supervision and permanent control of counterparty, market, country and portfolios risks, physical, operational and technical risks, model risks, and societal and environmental risks.

The structure of Crédit Agricole CIB's Risk and Permanent Control function is integrated into the Crédit Agricole Group's Risk and Permanent Control business line.

Its risks management is delegated to Crédit Agricole CIB under formally adopted subsidiarity and delegation principles.

Within this framework, RPC regularly reports its major risks to Crédit Agricole Group Risk Department and has Crédit Agricole Group Risk Committee (CRG) approve those cases which exceed its authorised limits as well as substantial risk strategies at the Crédit Agricole Group level.

2.2.1 Global structure

RPC is based on a global structure with the following attributes:

- all risk management tasks and business lines, whatever their nature or location, are grouped together within one division;
- all Crédit Agricole CIB's local and regional RPC managers within the international network report directly to the managers at the RPC Head Office;
- the Head of the Operational Risk Management Department (i) reports to Crédit Agricole CIB's Head of Risk and Permanent Control CIB and (ii) is functionally subordinate to the Executive Manager in charge of the consistency and effectiveness of permanent control and periodic control (in order to take into account the new organisational provisions of the revised Ministerial Order of 3 November 2014);
- the operational risk managers at the Head Office report to the Operational Risk Management Department;
- the Head of Risk and Permanent Control of Crédit Agricole CIB (i) reports to the Group Chief Risk Officer of Crédit Agricole S.A. and (ii) is functionally subordinate to the Chief Executive Officer of Crédit Agricole CIB;
- the Head of Risk and Permanent Control of Crédit Agricole CIB is a member of the Executive Committee of Crédit Agricole CIB.

It comprises:

1. The 4 specialist Decision-making and Management departments for each business activity:

- Markets: Market and Counterparty Risks (MCR);
- Credit: Sectors, Corporates and Structured (SCS), Financial Institutions, Sovereigns and Countries (FSP), Sensitive Cases and Impairment (ASD);

2. The 5 cross-functional departments dedicated to Supervision and Control:

- Supervision: Project & Credit Models (PCM), Risks, Governance & Regulatory Topics (RGR);
- Control: Credit Monitoring & Reporting (CMR), Operational Risk Management (MRO), Validation & Risks of Models (VRM);

3. The Environmental and Social Risks (ESR) team;

4. RPC's Secretary's Office (SGL).

2.2.2 Governance and overall management of activities

INFORMATION PROVIDED TO CRÉDIT AGRICOLE CIB GOVERNANCE BODIES

The Board of Directors of Crédit Agricole CIB and its Risk Committee receive:

- on an annual basis, the Internal Control Report (RCI) for the previous year and the Half-Year Report on Internal Control (ISCI) as at 30 June of the current year;
- on a quarterly basis, a report on the management of risks and major exposures and on a case-by-case basis specific monographs that are produced periodically or on request;
- on the advice of the Risk Committee, the Board of Directors approves the Bank's risk appetite and any updates, the Stress test programme and the list of major risks and, on a quarterly basis, the risk strategies and policies approved by the CSP (Strategy and Portfolio Committee) or the CRG (Group Risk Committee), where applicable.

OVERALL MANAGEMENT OF ACTIVITIES

◆ Determining the risk profile and risk strategies

The Strategy and Portfolio Committee (CSP) is chaired by a member of the Executive Management. Its main roles are:

- to ensure that the Bank's global strategy is consistent with its capacity to take risks, to set guidelines that will become specific operational rules, including in the form of risk strategies and to work on alert and business watch topics;
- the CSP also oversees each location/country, each business line/major sector within a specific risk strategy, providing the main development guidelines for each business; it also decides on the main risk budgets for the global portfolio.

◆ Selection of cases

The decision-making process within Crédit Agricole CIB is carried out by dedicated committees:

- retail financing is presented to committees organized by businesses and locations within the delegations granted to their managers;
- the most significant cases are reviewed by the Counterparty Risk Committee (CRC) which is chaired by a member of Executive Management. The Crédit Agricole Group Risk Department (DRG) is an ex officio member of this committee and receives all cases. Exposures involving amounts in excess of the limits granted to Crédit Agricole CIB are submitted for a decision to Crédit Agricole S.A.'s Executive Management, after obtaining an opinion from the DRG;
- market positions are reviewed monthly by the Market Risk Committee (CRM), chaired by a member of Executive Management. The CRM sets the limits and carries out controls on compliance accordingly.

Anticipation of downgrades

Anticipation of potential counterparty downgrades is addressed via:

- monthly Early Warning meetings, scheduled by the Early Detection team of the SCS Department, which aim to identify early signs of potential downgrades of counterparties previously considered to be sound. After reviewing the information gathered, the purpose of these meetings is to draw the most appropriate operational consequences, depending on whether its conclusions are positive (ultimately deemed harmless or benign, not calling for downgrading the client at this stage) or negative (confirmation of an actual concern calling for a reduction in our risk exposure);
- Early detection by means of ongoing monitoring of portfolios and sub-portfolios to detect counterparties demonstrating various alert signals identified from information passed on by the Risks and Front Office teams, data obtained from internal databases, market information;
- stress scenarios examined in order to measure the impact of a shock on a portfolio or sub portfolio (for application of Pillar 2 of Basel II) and to identify any sectors/segments requiring provisions.

The objective is to identify any potential increase in client risk profiles as early as possible, in order to implement preventive actions on our exposures where possible.

Monitoring of sensitive cases

The monitoring of sensitive cases is carried out by a dedicated department. Debts that are under special supervision or classified as in default are revised quarterly.

Operational management committees

In addition to the Committees in charge of risks (CRC and CRM), risk management reports are also regularly presented to the following Executive Management committees:

- Crédit Agricole CIB's Executive Committee (EXCOM), which conducts debates and discussions dedicated to risk management;
- the Internal Control Committee, which is responsible for monitoring market and counterparty limits, monitoring operational risks and following-up recommendations issued by internal and external audit committees;
- the Topmost Permanent Control Committee, which supervises the operation of the Permanent Control system and operational risk management of the Crédit Agricole CIB group.

Crédit Agricole S.A.'s risk management process

Crédit Agricole CIB is included within Crédit Agricole S.A.'s risk process, which is structured around the following committees:

- the Group Risk Committee (CRG), chaired by Crédit Agricole S.A.'s Chief Executive Officer, to which Crédit Agricole CIB mainly submits its one-off approval requests, main risk strategies, budgets and commitments on emerging countries, corporate authorisations for large transactions, large individual exposures, sensitive cases, limits as well as the market risk situation;
- the Risk Monitoring Committee (CRG). Chaired by Crédit Agricole S.A.'s Chief Executive Officer, it examines counterparties showing signs of deterioration or a need to arbitrate between multiple Group entities, as well as, from a broader standpoint, any areas of focus liable to impact the Group's risk profile, net income or solvency (risk factors linked to a sector of the economy, country, product category, business activity, regulatory change, etc.);
- the Standards and Methods Committee (CNM), chaired by Crédit Agricole S.A.'s Head of Risk and Permanent Control, to which Crédit Agricole CIB submits for approval any proposal for a new method or an existing method for measuring or classifying Basel II risks before their application within Crédit Agricole CIB;
- finally, Crédit Agricole Group Risk Department is a permanent member of Crédit Agricole CIB's Internal Control Committee (CCI).

2.3. Internal control and risk management procedures

2.3.1 Definition of the internal control system

The internal control system is defined within the Crédit Agricole Group as the set of systems used to control activities and all forms of risk and to ensure the legality, security and efficiency of operations, in accordance with the reference texts set out in the paragraph below. Crédit Agricole CIB, a wholly-owned subsidiary of the Crédit Agricole Group, follows the rules laid down by its parent company and those imposed by French and international regulations.

The internal control system and procedures can therefore be classified by the objectives assigned to them:

- application of instructions and guidelines determined by Executive Management;
- financial performance through effective and adequate use of the Crédit Agricole Group's assets and resources and protection against the risks of loss;
- comprehensive, accurate and ongoing awareness of the data required to make decisions and manage risks;
- compliance with internal and external rules;
- prevention and detection of fraud and errors;
- accuracy, completeness of accounting records and timely production of reliable accounting and financial information.

However, this system and these procedures have inherent limits due to technical or human failures.

Systems implemented within this standardised framework, certain resources, tools and reporting documents are made available to the Board of Directors, Executive Management and other managers so that they can assess the quality and adequacy of the internal control systems.

2.3.2 Reference texts relating to internal control

LAWS AND REGULATIONS

The internal control procedures implemented by Crédit Agricole CIB comply with the laws and regulations governing French credit institutions and investment companies and namely with:

- the French Monetary and Financial Code;
- the Decree of 3 November 2014, relating to the internal control of banks, payment services companies and investment companies, under the supervision of the French Prudential Supervisory and Resolution Authority (ACPR), as amended on 25 February 2021;
- all texts relating to the exercise of banking and financial activities (a set of documents produced by the Banque de France and the C.C.L.R.F.);
- the General Regulation of the French Financial Markets Authority (Autorité des Marchés Financiers).

The Company's internal control system also incorporates the following international reference documents:

- the Basel Committee's recommendations on banking supervision;
- constraints of local laws and regulations of the countries in which the Crédit Agricole Group operates;
- European and international regulations (EMIR, DFA, etc.) applicable to Crédit Agricole CIB's business activities.

MAIN INTERNAL REFERENCE DOCUMENTS

The main internal reference documents are:

- Procedural memo 2022-04 on the organisation of internal control within the Crédit Agricole Group;
- Procedural memos dealing with the Crédit Agricole Group's risk management and permanent controls;
- documents circulated by Crédit Agricole S.A., relating to subjects including accounting (Crédit Agricole's accounting plan), financial management, risk management and permanent controls;
- the Crédit Agricole Group's Code of Conduct;
- Crédit Agricole CIB's Code of Conduct entitled "Our principles to build the future";
- a body of governance texts, published in Crédit Agricole CIB's associated Intranet database, addressing compliance, risks and permanent control and, more specifically, the texts linked to permanent control applied within the Crédit Agricole CIB group's consolidation scope of supervision (text 4.0 on the structure of internal control, text 4.2 on the consolidated scope of supervision, text 4.4 on the structure and governance of permanent controls and text 1.5.9 on governance of outsourcing and pooling within Crédit Agricole CIB group), Crédit Agricole CIB's compliance manuals, and the procedures of the different departments of Crédit Agricole CIB, its subsidiaries and branches.

2.3.3 Structure of the internal control system

BASIC PRINCIPLES

The structural principles and components of Crédit Agricole CIB's internal control systems, which are common to all Crédit Agricole Group entities, are as follows:

- information and involvement of the supervisory body (approval of risk appetite and risk strategies, update on the risk situation, activities and results of internal control);
- the direct involvement of the Executive Directors in the organisation and operation of the internal control system;
- complete coverage of activities and risks;
- accountability of all persons involved;
- clear definition of tasks;
- effective separation of commitment and control functions;
- formalised and up-to-date delegations;
- formalised and up-to-date standards and procedures, especially for accounting and information processing.

These principles are supplemented by:

- systems to measure, monitor and control risks: credit, market, liquidity, financial, operational (operational processing, IT processes), accounting risks (including quality of financial and accounting information), non-compliance risks and legal risks;
- a control system, forming part of a dynamic and corrective process, encompassing permanent controls carried out by the operating units themselves or by dedicated staff and periodic controls (General Inspection Department).

The internal control system is also designed to ensure that the compensation policy is consistent with risk management and control objectives, particularly with regard to market operators.

To that end, the Risk Committee, a specialised committee of the Board of Directors, whose task is specifically to examine, without prejudice to the Compensation Committee, whether the incentives provided by the Company's compensation policy and practice are consistent with its situation in light of the risks to which it is exposed.

Furthermore, the internal control system is designed to ensure that the corrective measures adopted are applied within a reasonable time.

OVERSIGHT OF THE PROCESS

In order to ensure that the internal control system is consistent and effective and that the above-mentioned principles are applied by all entities within the scope of Crédit Agricole CIB's consolidated control system, three separate persons responsible for Periodic Control (Audit-Inspection), Permanent Risk Control and Compliance Control have been appointed.

The Internal Control Committee, chaired by the Deputy Chief Executive Officer, is responsible for:

- reviewing internal control procedures and the control system implemented;
- examining the main risks to which Crédit Agricole CIB is exposed and any changes in risk measurement systems;
- deciding on remedial measures to be taken to address weaknesses identified during audits, either in internal control reports or as a result of problems that have occurred;
- monitoring the fulfilment of commitments made following internal and external audits;
- taking any decisions necessary to remedy the weaknesses in the internal control system.

Its members are the Head of Group Internal Audit (Crédit Agricole S.A.), the Inspector General of Crédit Agricole CIB, the Deputy General Manager in charge of RPC (Risks and Permanent Control), the Head of Operational Risk Management, the Head of Operational & IT Risks Management (Crédit Agricole S.A.), the Head of Global Compliance, the Head of Crédit Agricole Group Compliance, the Head of Fraud and Corruption Prevention, the General Counsel and, depending on the matters under discussion, the heads of other Bank units.

The Committee met four times in 2023.

Internal Control Committees have also been set up in multiple subsidiaries and branches, both in France and abroad. These Committees ensure the decentralised implementation of the Order of 3 November 2014. They enable the Internal Control functions at the Head Office (RPC, CPL, LGL, IGE) to be involved in the operation of Internal Control within a given scope and alert the manager as a matter of priority in the event of any anomalies and then alert the highest level of corporate governance in the event of non-resolution.

In addition, a Topmost Permanent Control Committee chaired by the Deputy General Manager in charge of RPC is responsible for:

- supervising the operation of the Permanent Control system and operational risk management of the Crédit Agricole CIB group;
- investigating all matters related to this assignment, whether for information or decision-making purposes;
- resolving any discrepancies or interpretations relating to the Permanent Control system.

This Committee comprises in particular the Deputy General Manager in charge of RPC, the Head of Operational Risk Management, the Head of Global Compliance, the General Counsel and the Inspector General.

The Head of Group Risk Management (*Direction des risques Groupe* or DRG) for Operational & IT Risks at Crédit Agricole S.A. is a permanent guest. The Committee held two face-to-face meetings and two e-meetings in 2023.

In addition to the Permanent Control Committees established in the departments of the Head Office, local committees have been established in the subsidiaries and branches in France and abroad. Meetings are held monthly (outside of months when the ICC meets held), either face-to-face or online.

ROLE OF THE SUPERVISORY BODY: THE BOARD OF DIRECTORS

The Board of Directors decides on strategy and controls the implementation of oversight by the effective managers. It approves and regularly reviews the Bank's risk appetite and risk frameworks. It is notified of the structure, activity and results of internal control and of the main risks facing the Bank.

The Board of Directors has four specialised committees to assist in carrying out its missions: the Audit Committee, the Risk Committee, the Appointments and Governance Committee and the Compensation Committee. The main missions of the Board of Directors and its Committees are listed below and described in further detail in Chapter 3, paragraph 1.2.4 of this Universal registration document:

- the Board of Directors reviews and approves the Bank's risk appetite at least once a year, after it has been reviewed by the Risk Committee;
- each quarter, the Board of Directors reviews and approves, after they have been reviewed by the Risk Committee, the specific risk frameworks by country, business or sector, that were defined during the previous quarter by the Strategy and Portfolios Committee or by the Group Risk Committee;
- in addition to the information regularly transmitted to the Board of Directors, particularly on overall risk limits and exposures, as well as compliance, legal and liquidity risks, a report on internal control is presented twice a year by the Head of the risk management function, along with a quarterly status report on risk management and exposures. This quarterly report specifically includes a presentation on market risks, counterparty risks and operational risks and a review on Crédit Agricole CIB's risk appetite situation. This information and these reports are reviewed beforehand by the Risk Committee;
- the Board of Directors is informed of any significant fraud event or any other event detected by internal control procedures in accordance with established criteria and thresholds. The procedure for escalating this information to the corporate bodies is reviewed in Crédit Agricole CIB's internal documentation;
- a presentation of periodic control reports is made at least twice a year to the Board of Directors by the Head of the Audit function, after being reviewed by the Risk Committee;
- an annual report (corporate and consolidated basis) on the organisation of internal control systems for combating money laundering and terrorist financing and asset freezing, is presented by the Head of the Compliance Verification function, then submitted to the Board of Directors for approval each year;
- the report to the AMF by the Head of Compliance for Investment Services is presented to the Board of Directors each year.

ROLE OF EXECUTIVE MANAGERS: EXECUTIVE MANAGEMENT

The Executive Managers are directly involved in the organisation and operation of the internal control system.

They ensure that risk strategies and limits are compatible with the financial situation (capital levels, results) as well as the risk strategies and frameworks adopted by the Board of Directors. The Executive Managers define the general organisation of Crédit Agricole CIB and oversee its effective implementation by the competent staff.

They assign clear roles and responsibilities in terms of internal control and allocate the appropriate resources. They oversee the implementation of risk identification and measurement systems that are appropriate for Crédit Agricole CIB's activities and structure.

They also ensure that they regularly receive the key information produced by these systems and that the internal control system is continuously monitored for the purpose of verifying its suitability and effectiveness.

They are informed of the main issues identified by internal control procedures and the remedial measures proposed, notably by the Internal Control Committee.

SCOPE AND CONSOLIDATED STRUCTURE OF CRÉDIT AGRICOLE CIB'S INTERNAL CONTROL SYSTEMS

In accordance with the principles implemented within the Crédit Agricole Group, Crédit Agricole CIB's internal control system applies to a scope which includes its French and foreign wholly- or jointly-controlled branches and subsidiaries. The system is designed for the supervision and control of activities, as well as the measurement and oversight of risks on a consolidated basis.

Each Crédit Agricole CIB group entity applies this principle to its own subsidiaries, thus creating a logical internal control structure pyramid and strengthening consistency among the Group's various entities.

In this way, Crédit Agricole CIB ensures that an adequate system has been established at each of its risk-bearing subsidiaries and that these activities, risks and controls are identified and monitored on a consolidated basis within these subsidiaries, particularly as regards accounting and financial information.

In 2020, the Crédit Agricole CIB governance document was updated to reflect the new Group Procedural Memo on the structure of internal control (see above, "Main Internal Reference Documents"). This document introduced the notion of a "Consolidated Supervision Scope", by defining its rules for determining supervision and governance information procedures.

2.3.4 Brief description of the internal control systems and risk management procedures implemented within the company

Detailed information on credit, market, operational, liquidity risk management is provided in the "Risk and Pillar 3" section and in the notes to the financial statements.

The internal control system is based on three levels of controls, which distinguish permanent control from periodic control.

Permanent control is carried out as follows:

- first degree: when a transaction is initiated and while the transaction is being validated, by the operators themselves, by the supervisors within the unit, or by automated transaction processing systems;
- second degree, first level: by employees acting separately from the parties who initiated the transactions and who are authorised to perform operational activities;
- second degree, second level: by staff working exclusively at the final level of specialist permanent control with no authorisation to make risk-taking commitments (Operational Risk Managers (ORM) of Departments, which report to RPC, Compliance Control Unit).

Periodic (third-degree) controls cover occasional on-site audits of accounting records relating to all of the Company's activities and functions by the General Inspection Department.

The permanent control system is based on a platform of operational controls and specialised controls. Within the departments of the Head Office, branches and subsidiaries, procedural manuals describe the controls to be performed and the related operational permanent controls.

The controls, which can be integrated into automated transaction processing systems, are identified and updated based on operational risk mapping (now called Risk and Control Self-Assessment).

The results of the controls are formalised in control sheets and centralised in the RPC Operational Risk Management tool, OLIMPIA. They are summarised in periodic reports at the appropriate managerial level (in the network and at the Head Office) and, on a consolidated basis, to the Head of Permanent Control and to the Topmost Permanent Control Committee.

This system is continuously updated. It must specifically cover the entities in the consolidated supervision scope along with changes related to their activity, organisation and IT system. In that regard, particular attention is paid to maintaining the quality of operations and a suitable internal control system.

The tool OLIMPIA now covers all operational risk issues: data collection on incidents and losses, outsourced services, Risk and Control Self-Assessment, supervisory controls.

Since 2016, the Qualitative aspect of the ICAAP (Internal Capital Adequacy and Assessment Process) has been fully included in the annual Internal control report (ICR).

PERMANENT CONTROL (FIRST-DEGREE AND SECOND-DEGREE)

First-degree controls

First-degree controls are performed in a hierarchical environment where the technical actions subject to control are carried out. The definition of these controls and analysis of their results is first and foremost the responsibility of the Management team in charge of the scope where they are applied.

First-degree permanent controls are applied to the tasks carried out by all Departments and Cross-Business Functions of the Bank. The Department itself defines the permanent controls, with the help of the department ORMs or the Cross-Business function and is responsible for their quality by involving the operational staff within its scope.

First-degree controls must be appropriate and auditable. To that end:

- the operational risk map generated by the processes within the scope of operation highlights the situations calling for first-degree permanent controls on which the 2.2 controls will be based;
- the Departments and Cross-Business Functions are responsible for maintaining the documentation and operational procedures describing operational control systems 1 and 2.1.

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Controls automatically carried out by information systems are equivalent to first-degree operational controls deemed to be formalised if the processes implemented are documented and if their results are immediately delivered to the initiators of the action subject to control so that they can respond appropriately in the event of an anomaly.

Second-degree, first-level controls

They are carried out by employees operating independently of the operational environment subject to control. These controls are classified as "second-degree" because the employees conducting them do not report directly to the person that performed the first-level control. They apply to situations considered to be sufficiently sensitive to require, in accordance with regulations or as a result of a management decision, the segregation of tasks in the implementation phase, or an independent perspective. The Management team of the Department or Cross-Business Function may be assisted by the ORMs within its scope to define and standardise these controls.

Second-degree, second-level controls

They are performed in a hierarchical environment that is independent of the environment in which the action being audited was carried out, hence their classification as "second-degree" controls. They are carried by ORMs, which are specialist auditors who have no operational mandate within the scope under audit or any other scope, other than the scope for which they specifically work. This operational independence qualifies the controls as "second-level" in addition to second-degree.

The second-degree, second-level controls (commonly referred to as "2.2" or supervisory controls) are aimed at:

- performing analysis and final controls based on the results of level 2.1 or level 1 controls. This can be done via a spot-check or when an incident has occurred;
- checking the quality of a specialised second-degree, first-level control relating to aggregated elements or a set of processes, if the risk represented by these elements or processes is considered sufficiently sensitive.

They may take the form of spot checks.

The systematic "triplication" of level 1, 2.1 and 2.2 controls is not standard and must be justified by the level of underlying risk. A level 2.2 control cannot make up for the absence of a level 1 or 2.1 control in situations where one or the other should normally exist, except in very exceptional cases (closure of a unit, unexpected absence of a particular person, user back-up plan, etc.). The appropriate ICC must be notified if such a situation persists.

RISK AND PERMANENT CONTROL DEPARTMENT

Risk management roles and responsibilities are outlined in the section above, entitled "Structure of the Risk function".

Risk projects

The Credit & Counterparty Risk Committee is managed by the APM (Architecture & Project Management) team, a project team that reports to the "Risk and Permanent Control" Department of Crédit Agricole CIB. This programme meets the objective of significantly and continuously improving the counterparty risk control mechanism, while complying with new regulatory requirements.

The Credit & Counterparty Risk Committee, chaired by the Head of Risk, who is a member of Crédit Agricole CIB's Executive Committee, comprises risk department managers, representatives of the relevant business lines and IT and oversees selected projects:

- The RADaR (Risk Analytics Data Reporting)/PRISM project aims to provide users with a single platform containing all the data needed to manage counterparty risks, with easy access to and control over data sources. The libraries developed by the quantitative teams of the Risk Division are associated with this database to perform various types of calculations (risk indicators, impact measurements, simulations of RWA). A reporting module supplements this system for internal or regulatory reporting purposes;
- processing of technical obsolescence/upgrades: a project that aims to technically improve and upgrade systems calling for developments in order to facilitate functional maintenance and operability and reduce operational risk, such as: Decommissioning of Mainframe Infocentres (SDP & RADaR);
- project DAFNE: overhaul of the Crédit Agricole Group counterparty rating system, aimed at replacing Anadefi, a tool that no longer meets the needs of the risk business lines;
- regulatory & Crédit Agricole Group projects: various functional or technical developments related to changes in Crédit Agricole Group and regulatory requirements such as: Group changes in CRR V4.3, regulatory changes CRD5/CRR2, leveraged financing, TRIM, Basel IV reforms, etc.;
- ongoing projects: all major changes to existing systems with a minimum system to be maintained (rating, credit approval, authorisation tools, certifications, calculation engines, control and monitoring tools for outstandings/authorisations, operational risk tools) aimed at meeting new business needs, regulatory requests, recommendations arising from various inspections and various requests for contributions;
- project MASAI FRTB: led by RPC and sponsored by GMD and RPC, aiming to introduce:
  - a new market risks ecosystem based on Big Data technology to address a strong increase in data volumes and significant complexity of market risk indicators;
  - compliance with the regulations of BCBS 239 principles, with the introduction of a new Market Risks Operating Model;
  - The Fundamental Review of the Trading Book (FRTB) which applies to the trading portfolio. From the first quarter of 2025, capital for market risk will be determined by applying the FRTB-Standardized Approach;
  - Daily Stress: project aimed at significantly improving stress capacities in market activities.

Credit risks

Any counterparty or group of counterparties is subject to limits within the framework of specific procedures.

The decision-making process is based on two authorised Front Office signatures (one by the person responsible for the application, the other by the competent Agent) as well as an independent RPC opinion issued by an Authorised Signatory. If the RPC's opinion is negative, decision-making power is passed on to the chairman of the next higher-level committee.

Credit decisions are governed by risk frameworks defined for each significant scope (country, business line, sector) specifying the main guidelines (target clients, types of authorised products, overall envelopes and projected unit amounts, etc.) under which each geographic entity or business line must conduct its activity.

When a transaction or operation is considered to fall outside the risk framework in force, the normal authorisations do not apply and a decision can only be made by the Executive Management-level Committee (CRC).

The RPC also identifies any assets liable to see an increase in credit risk as soon as possible and initiates the most suitable measures to protect the Bank's interests.

The process for monitoring receivables is enhanced by a system of portfolio and sub-portfolio analyses on group-wide business line, geographic or sector basis. An analysis of concentrations and, where applicable, portfolio restructuring recommendations, are an integral part of this exercise.

In parallel, the New Activities and New Products Committee (NAP Committee) ensures that all requests made by the business lines are in line with the risk frameworks involved.

In addition, sensitive cases and major risks are monitored quarterly; other risks are reviewed annually. The adequacy of the level of reserves in relation to risk is assessed on a quarterly basis by the Executive Management, on RPC's recommendation.

This approach is supplemented by Stress tests aimed at testing the impact of unfavourable macroeconomic assumptions and quantifying the risks to which the Bank could be exposed in an adverse environment.

◆ Country risks

Country risk is analysed and supervised in accordance with on a specific rating methodology. The country rating, which is reviewed at least once every six months, has a direct impact on the limits set for countries for the purpose of validating their risk strategy and on counterparty ratings.

◆ Market risks

The ex-ante management of market risks is organised around the operation of several committees, which assess the risks associated with activities, products and strategies before they are implemented or used:

- New Activity or New Products Committees (NAP), organised by Business Line, allow the Market Risk teams, among others, to validate business developments before they are launched;
- the Market Risk Committee (CRM) meets once a month, oversees the entire market risk framework; it approves market risk limits;
- the purpose of the Liquidity Risk Committee (CRL) is to supervise and manage Crédit Agricole CIB's liquidity risks and to ensure the operational implementation of Group standards relating to liquidity risk monitoring;
- the Pricer Validation Committee is responsible for presenting and formally validating the pricers, validated during the year.

Risks management is carried out using diversified risk measurements:

- global measurements with market risk supervision centred on Value at Risk (VaR), Stressed VaR (SVaR) and stress measurements; VaR and SVaR measurements are established with a daily probability of occurrence of 1%; stress scenarios include global Stress tests (historical, hypothetical or adverse) as well as specific Stress tests for each activity;
- specific measurements with sensitivities indicators and notional measurements.

Finally, the Valuation and Pricing Committees define and monitor the application of portfolio valuation rules for each product line.

In 2023, efforts to decommission risk tools towards the MASAI data-centric platform, to transition risk-free yield curves in response to the discontinuation of the USD Libor in June 2023 and work on capital requirements as part of the Fundamental Review of the Trading Book (FRTB).

◆ Operational risks

Operational risk management relies mainly on a network of Permanent Control correspondents coordinated by RPC.

Operational risks are monitored for each business line, subsidiary and region, which are responsible for reporting and analysing operating losses and incidents via Internal Control Committees.

The methodology for identifying operational risks takes into account provisions relating in particular to legal disputes since the end of 2013 and tax disputes since the end of 2015, in addition to actual losses.

Each quarter, RPC produces an operational risk scorecard showing movements in operational risk-related costs and associated key events.

Remedial action to significant incidents is monitored closely, in conjunction with the relevant departments.

Operational risk mapping is now referred to as Risk and Control Self-Assessment. It covers all Departments at the Head Office, in the international network and at subsidiaries and is reviewed annually. Together with the Compliance and Legal functions, it covers non-compliance risks and legal risks.

Supervision of the Volcker and LBF compliance system as well as the security of the information system (Information System Risk Pilot) is ensured within RPC MRO.

◆ Outsourcing

In accordance with Article 11 of the Ministerial Order of 25 February 2021, Crédit Agricole CIB includes outsourced activities in its control system, in line with the standards applicable to the permanent control system. Proportionate to the level of risk assessed, the control system aims to ensure that a given service is performed in accordance with the required standards and meets the quality and security requirements formalised in the contract (service level, associated requirements and indicators, recurring reports and information procedures in the event of a problem). In 2023, in addition to initiatives already in place, Crédit Agricole CIB began rolling out the new control guide defined by the Crédit Agricole Group in order to supplement and expand its system.

FINANCE, PROCUREMENT & EXECUTION MANAGEMENT DEPARTMENT

◆ Permanent control of accounting and financial information

Permanent accounting controls are intended to provide adequate protection against the major accounting risks, liable to adversely affect the quality of accounting and financial information in terms of:

- compliance of the data with laws, regulations and Crédit Agricole Group standards;
- reliability and accuracy of the data, allowing a true and fair view of the results and financial condition of Crédit Agricole CIB and entities within its scope of consolidation;
- security of data preparation and processing methods, limiting operational risks in view of Crédit Agricole CIB's commitments with respect to published information;

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- prevention of fraud, corruption and accounting irregularities.

To meet these objectives, Crédit Agricole CIB applies the Crédit Agricole Group's recommendations in this area.

The Risk Department is responsible for permanent second-degree, second-level (2.2) and consolidated second-degree, second-level (2.2.C) controls of accounting and financial information, while the Finance, Procurement & Execution Management Department is responsible for second-degree, first-level controls (see part "Finance, Procurement & Execution Management Department: control system for accounting and financial information, global interest rate and liquidity risks"). For second-degree, second-level controls (2.2), the Risk Department:

- ensures that the key accounting indicators defined by Crédit Agricole S.A. are suited to the environment of a Corporate and Investment Bank, deployed in a consistent manner and listed in Crédit Agricole CIB's operational risk management tool for Crédit Agricole CIB's Head Office, branches and subsidiaries;
- consults the Crédit Agricole CIB group's branches and main subsidiaries every six months through an accounting certification questionnaire in which the Chief Financial Officers (CFO) undertake to comply with accounting standards;
- performs documentary checks in accordance with a control plan validated annually by the Finance Department's Internal Control Committee;
- reports and monitors operating incidents related to accounting and finance;
- annually produces the operational risk maps updated on an ongoing basis with the Finance, Procurement & Execution Management Department teams.

The conclusions of their work, as well as the proactive monitoring of recommendations issued by the regulator and the General Inspection Department, enable the Permanent Control team to define any remedial measures needed to strengthen, as necessary, the system for preparing and processing accounting and financial information.

All of these items are presented to Group Financial Control's Permanent Control Committee and the Finance, Procurement & Execution Management Department's Internal Control Committee.

The permanent control mechanism for accounting and financial information is also applied to the information produced by Crédit Agricole CIB on behalf of the Group entities (Crédit Agricole S.A. and LCL).

◆ Regulatory capital requirements

Within the Basel II framework, Crédit Agricole CIB uses an approach based on internal models approved by the regulator for calculating capital requirements in respect of credit and market risks as well as operational risk.

These models are part of Crédit Agricole CIB's risk management system and are monitored and reviewed on a regular basis to ensure their effective performance and use.

With regard to credit risk, considerable efforts have been made to bring internal models into compliance with the most recent texts published by the European Banking Authority (EBA) under the IRB Repair programme. Furthermore, all PD and LGD models were backtested in 2023; the results of this work will be presented to Crédit Agricole CIB's Executive Committee and validated by Crédit Agricole S.A.'s Standards and Methodology Committee. In addition, benchmarking of Crédit Agricole CIB's internal ratings are performed on Low Default Portfolio scopes (large corporates, banks and sovereigns) with respect to external agency ratings and ratings of other European banks participating in the annual RWA benchmarking exercise organised by the EBA. It should be noted that the purpose of the changes to our existing models and the development of new models is to measure Crédit Agricole CIB's risks as accurately as possible and to keep pace with the regulatory changes required of banks.

Proper application of the Basel system is regularly monitored by a Basel Requirements Review Committee.

◆ Finance, Procurement & Execution Management Department: control system for accounting and financial information, global interest rate and liquidity risks

ROLES AND RESPONSIBILITIES FOR THE PREPARATION AND PROCESSING OF ACCOUNTING AND FINANCIAL INFORMATION

In accordance with the Crédit Agricole CIB group's current rules, the roles and organisational principles of the Finance, Procurement & Execution Management Department's functions are described in an organisational memo updated in 2023.

Within the Finance, Procurement & Execution Management Department of Crédit Agricole CIB, Group Financial Control is in charge of drawing up the financial statements (the individual financial statements of Crédit Agricole CIB, the consolidated financial statements of the Crédit Agricole CIB group and regulatory statements for the Company and for the Group). It is also responsible for providing Crédit Agricole S.A. with all the data it needs to prepare the Crédit Agricole Group's consolidated financial statements.

The Finance, Procurement & Execution Management departments of the entities that fall under the scope of consolidation are responsible for drawing up their own financial statements under local and international standards. They operate within the framework of the instructions and controls of the Head Office's Finance, Procurement & Execution Management Department.

PROCEDURES FOR THE PREPARATION AND PROCESSING OF ACCOUNTING AND FINANCIAL INFORMATION

The organisation of procedures and information systems used for the preparation and processing of accounting and financial information is documented in procedure manuals and in an accounting risk map updated progressively over time. The Finance, Procurement & Execution Management Department also oversees the consistency of the architecture of the financial and accounting information systems and follows up on major projects in which they are involved (accounting, regulatory and prudential).

ACCOUNTING DATA

Crédit Agricole CIB closes its accounts monthly. Parent company and consolidated financial statements are established using the Crédit Agricole Group's accounting standards, which are circulated by Crédit Agricole S.A.'s Accounting and Consolidation Department. The accounting treatment of complex financial instruments and complex transactions undergoes prior analysis by the Accounting Standards Unit of Crédit Agricole CIB's Finance, Procurement & Execution Management Department.

Each Crédit Agricole CIB group entity produces a consolidation package that feeds into the Crédit Agricole Group's common system, which is managed by Crédit Agricole S.A. On a quarterly basis, closing instructions are sent by the Group Financial Control Department to the Finance, Procurement & Execution Management departments of Crédit Agricole CIB entities in order to define reporting schedules and to specify certain accounting treatments and the type of information to be collected over the period, particularly with a view to preparing the notes to the consolidated financial statements.

MANAGEMENT DATA

Financial information published by Crédit Agricole CIB is based on accounting data and on management data.

Management data are subject to controls to ensure the quality of their reconciliation with accounting data and compliance with management standards set by governance bodies.

Each entity reconciles the main items of its management results with the intermediate income statement balances produced from accounting data. Group Financial Control ensures the same balance at the Crédit Agricole CIB level of consolidation.

Management data are prepared using calculation methods that ensure they are comparable over time. When published data are not extracted directly from accounting information, the sources and definition of calculation methods are generally cited for clarification purposes.

DESCRIPTION OF THE FINANCE, PROCUREMENT & EXECUTION MANAGEMENT DEPARTMENT'S ACCOUNTING AND FINANCIAL INFORMATION CONTROL SYSTEM

The Finance, Procurement & Execution Management Department performs second-degree, first-level supervision of the permanent control system for accounting and financial information on a worldwide basis to ensure adequate coverage of major accounting risks liable to affect the quality of accounting and financial information.

At the Head Office, the work involved in the preparation and control of accounting and financial information is formalised and reviewed with the Permanent Control Department through the quarterly rating of 2.2 indicators and through the document-based thematic control plan defined annually.

Entity accounting teams rate the key accounting indicators defined by the Risk Department in the Crédit Agricole CIB's operational risk management tool every quarter. Their ratings are subject to spot checks by the Risk Department locally and/or at the Head Office.

RELATIONS WITH THE STATUTORY AUDITORS

In accordance with professional standards, the Statutory Auditors examine significant accounting choices and implement procedures they deem appropriate on published financial and accounting information:

- audit of the parent company and consolidated financial statements;
- limited review of the interim consolidated financial statements;
- review of all published financial information.

As part of their statutory assignment, the Statutory Auditors submit the conclusions of their work to Crédit Agricole CIB's Audit Committee and Board of Directors. Where necessary, they also point out the significant internal control weaknesses concerning the procedures relating to the production and treatment of accounting and financial information.

Finally, the Finance, Procurement & Execution Management Department, in accordance with an authorisation granted by the Audit Committee, approves non-audit services. The fees paid to the Statutory Auditors and their independence are discussed quarterly during Audit Committee meetings.

FINANCIAL COMMUNICATION

Crédit Agricole CIB contributes to Crédit Agricole S.A. financial communications published for shareholders, investors, analysts and rating agencies. The financial and accounting information for the CIB activities of Crédit Agricole CIB in those reports is prepared by the Financial communication team of the Finance, Procurement & Execution Management Department. It is consistent with the information used internally and validated by the Statutory Auditors and presented to the supervisory body of Crédit Agricole CIB.

GLOBAL INTEREST RATE RISK

Global interest rate risk is quantified using static and dynamic measures. The interest-rate gaps and the results of the Stress tests are presented to the ALM Committee, which decides on the management and/or hedging measures to be taken.

As part of the annual review of the Group's risk strategy, the IRRBB limits were reviewed by the Group Risk Committee both in relation to fixed-rate risk and the Net Present Value (NPV) limit for basis risk. In addition to the euro and the dollar, internal gap limits have been implemented for interest rate risk positions in the main currencies. For basis risk, given the Benchmark Reform, only basis risk in euro is subject to the index NPV limit.

As regards the control system, the IRRBB management unit is split into a unit in charge of measuring risk and defining risk hedges and a unit in charge of executing the hedges defined by the Capital Markets Department.

LIQUIDITY RISK

Within the Crédit Agricole CIB group, liquidity risk management has been placed under the responsibility of the Financial and Strategic Steering Division, which reports to the Assets and Liabilities Committee.

The system in place for managing and supervising illiquidity, unavailability and price risks mainly concerns:

- resilience to financial crises in systemic, idiosyncratic and global risk scenarios over 12 months, 3 months and 1 month. Stress tests are carried out on the position in all currencies countervalued in euros and for the Group's main currencies;
- exposure to short-term market refinancing (short-term limit);
- balance sheet stability indicators (Stable Funding Position and Credit Collection Deficit);
- concentration of long-term refinancing maturities;
- the medium-/long-term liquidity transformation gap for all currencies and for the main currencies.

Crédit Agricole CIB has a liquidity risk management platform linked to the Bank's accounting data, which measures regulatory liquidity ratios and Internal Liquidity Model indicators. For the Bank's management needs, the LCR and liquidity Stress tests (all currencies and USD) are measured daily using the management tool, Liquid.

The main advances made in terms of liquidity risk management over the course of 2023 were:

- enhanced production and projections of liquidity indicators amid market pressures in spring;
- launch of the project aimed at establishing an intraday liquidity monitoring and management system;
- production of a sector liquidity footprint as part of the Net Zero trajectory.

With regard to liquidity, Crédit Agricole CIB's normative permanent control system is similar to the Group's system. The minimum control indicators are the same and apply to all major processes in the same way.

GLOBAL COMPLIANCE DEPARTMENT

The roles and organisation of compliance are outlined below in section "2.8 Non-compliance risks".

LEGAL DEPARTMENT

The main missions of the Legal Function (LGL) are (i) monitoring the Bank's legal risk in accordance with the Decree of 3 November 2014, as amended by the Decree of 25 February 2021, (ii) providing the necessary legal assistance to the Bank's Executive Management, Divisions and Cross-functional Functions to enable them to perform their activities while minimising legal risks, (iii) mandating and monitoring relations with the Bank's external counsels and (iv) implementing a warning process in case of a negative recommendation or a recommendation with reserves (opinion in which LGL does not recommend an operation/a transaction and indicates the legal risks taken by the Bank if this opinion is not taken into account).

The Bank's General Counsel reports hierarchically the performance of LGL to the Group General Counsel and functionally to the Executive Management of the Bank. He holds managerial or functional authority, where applicable, over the heads of the Head Office legal teams and the legal expertise centres with global responsibilities, the general counsels of the regional centres and the legal managers of the Crédit Agricole CIB group's entities.

The permanent control and legal risk management system put in place by LGL falls within the framework defined by Crédit Agricole S.A. and the Bank. LGL contributes to ensure that the Bank's business activities and operations comply with applicable laws and regulations. It reviews the legal risks arising from Crédit Agricole CIB's activities, products, services, operations and uses and monitors the permanent control of the operational risks generated within its own scope.

It also provides legal consultations to the Bank's Executive Management, Divisions and Cross-functional Functions, is involved in legal negotiations of operations/transactions, performs a legal watch, trains Bank's employees, models standard contracts, drafts legal policies and procedures, works with decision-making bodies and contributes to procedures as required by the Bank's Governance Texts. LGL takes part in the process of approving new products, activities and uses and in major commitment decisions taken by the Bank.

This robust system, recognised as such, enables it to assist and support all of the Bank's Business Lines on a daily basis, at Head Office and internationally.

In 2023, LGL continued to improve the permanent control and legal risk monitoring system, in particular through the following actions:

- update to its organisation in order to meet demand from the Business Lines, support the Bank in its ambitions and its transformation and meet regulatory requirements: a) establishment of a global organisation - with global managers and clearly defined and optimised roles, responsibilities, duties, processes and procedures - of its (i) capital markets activities aligned with GMD products and organisation (the "Business Lines"), and (ii) legal advisory and support on international sanctions and transactional financial crime risks; b) enhancement and structuring of legal expertise on ESG issues with the creation of a "Global ESG Coordinator" role at Head Office and the designation of "ESG contacts" in the regional centres, as well as the creation of a working group to support the Crédit Agricole Group;
- extension of LGL's management of relations with the Bank's law firms to those mandated by HRE in the United States and the United Kingdom;
- update to its operational risk mapping and control plan, and monitoring of recommendations issued by the General Inspection Department. At the end of 2023, LGL had no "Past Due" recommendations. Only two level 2 recommendations, one at Head Office and one in the international network, were still open by the end of the year. These were closed in early January 2024;
- update to its main governance texts;
- continuation of its digitisation and innovation strategy in order to improve operational efficiency and meet certain regulatory requirements: (i) project to manage capital markets master agreements to address DFS500 security aspects, (ii) automation of the writing, review and management of contracts and legal watch newsletters, (iii) extended deployment of the international electronic document management tool and legal support for the Bank's innovation and digitisation projects.

INFORMATION SYSTEM SECURITY AND BUSINESS CONTINUITY PLAN

Protecting the information system and being able to overcome a large-scale event meet the regulatory requirements and are essential to defending the interests of Crédit Agricole CIB and its customers. To that end, there are two units dedicated to dealing with information security and business continuity issues:

- ISS (Information System Security);
- BCP (Business Continuity Plan).

In order to fulfil their permanent control duties, they rely on a network of correspondents in France and abroad.

◆ *Filière* ISS

In terms of information security, the *Filière* ISS:

- acts as a level 1 and 2.1 governance and control body, within the meaning of the classification of controls in force within the Crédit Agricole Group;
- formalises Information System Security Policies, applying those existing at the Crédit Agricole Group level and basing them on ISO 27002;
- drafts a number of Security Standards, in conjunction and partnership with the other Crédit Agricole Group ISS units. IT infrastructure standards are under the sole responsibility of CA-GIP;
- coordinates maintenance of the appropriate level of security;
- ensures the proper implementation of PSI systems *(Plan de Secours Informatique)*;
- coordinates with the BCP units in charge of the Business Continuity and Crisis Management Plan;
- defines the management of environments enabling the control of identity databases and authorisation management;
- organises and operates security scans and audits;
- acts as an IT security manager on behalf of Crédit Agricole S.A. on environments that serve Crédit Agricole S.A., in relation with the entity's CISO (Chief Information Security Officer);
- coordinates periodic reviews of employee access rights to applications.

Over the last few years, Crédit Agricole CIB has been rolling out a programme of security projects aimed primarily at responding to its four risk scenarios (massive spread of ransomware and logical destruction by a cyber-attack, theft of sensitive data, hacking of the payment chain and regulatory non-compliance). In addition, since 2022, this programme also responds to IOS/RMC's (IT and Operations Services (IOS)/Risk Management & Control) 2022-2025 strategy, whose objectives by 2025 include implementing solutions to restart Crédit Agricole CIB's main activities in the event of a major incident or extreme shock, reducing obsolescence debt and addressing vulnerabilities, segmenting the network to reduce the risk of a cyber-attack spreading and geopolitical risk, strengthening access to information systems and transforming authentication methods for Crédit Agricole CIB's customers to improve their user experience.

The 2023 security programme included, among others:

- Crédit Agricole CIB-specific projects: for example, obsolescence management, rapid reconstruction of the information system, projects concerning the reinforcement of directory security, strong authentication on workstations, continued deployment of the architecture to prevent information leakage, reinforcement of the security means on the Internet connection chain (websurfing and email), finalization of the implementation of physical access controls to the network, development of the functionalities of our IAM (Identity Access Management) chains to serve internal users and customers;
- projects requested by the Crédit Agricole Group: reinforcement of the management of authorizations (Authorizations program), implementation of an Administration Information System (AIS) and securing of Active Directories (AD IT 2025 program).

Regarding the 2024 security program, priority objectives will be:

- resilience: rapid network reconstruction and DORA compliance;
- obsolescence: managing obsolescence and strengthening directories;
- continuation of security projects initiated in 2023.

CA-GIP has a Cyberdefense Base (CYB), which manages the Security Operations Center (SOC), dedicated to the supervision and administration of the security of the information system, and the Security Information and Event Management (SIEM) collecting the security events of the components of the information system.

Business Continuity Plan (BCP)

For many years, Crédit Agricole CIB has implemented a global organisation and processes to ensure the continuity of strategic activities, which are regularly tested by operational staff. The results are supervised by the BCP (Business Continuity Plan) team and are subject to level 2 controls by RPC (Risk and Permanent Control). In addition, IGE (General Inspection Department) periodically carries out audits of this organisation and processes. The materialisation of certain past events also provided an opportunity to test the relevance of the business continuity solutions in place. After each crisis, tried and tested processes are analysed and improvement plans developed.

In business continuity matters, the BCP Division defines the governance and business continuity policies for the entire Crédit Agricole Group. For the Head Office, the BCP Division sets up contingency plans to ensure the resumption of activities within the timeframe set by the business lines in the event of a disaster. It supports its correspondents in the international network to ensure that business continuity systems meet the standards defined by the Head Office and by local regulators. Annual tests are carried out to verify Crédit Agricole CIB's recovery capacity both in France and internationally and to validate the system as a whole.

The BCP Division reports on Crédit Agricole CIB's level of security at a quarterly committee meeting chaired by the Deputy General Manager in charge of IOS (IT & Operations Services).

2023 highlights include:

- no major problems were reported for tests of the user backup plan and for the IT contingency plan in France and abroad;
- Crédit Agricole CIB UK, Banco Crédit Agricole Brazil, CA CIB India and CASPL have set up new user backup sites;
- no major events took place within the international network. The BCP system is compliant and tested internationally;
- Crédit Agricole CIB continued to invest in the IS security improvement programme aimed at strengthening its protection against a cyber-attack, as well as in the IS obsolescence remediation programme, the aim of which is to remove components containing vulnerabilities liable to be exploited by a hacker.

Main objectives for 2024 are:

- deployment of the Movis platform for the Americas region (remote access system, backup of the nominal remote access platform Pulse);
- ongoing awareness-raising and communication initiatives involving all of the Bank's employees;
- digitisation of tools used to keep continuity plans in operational condition and facilitate their testing;
- update to our threat analyses, taking into account the outlook for climate and environmental risks;
- integration of the new DORA requirements in our continuity plans;
- continued efforts to bolster the Bank's resilience by preventively identifying all types of new threats and adapting our systems if necessary.

THIRD-DEGREE CONTROLS

Periodic controls

The General Inspection Department carries out periodic controls on Crédit Agricole CIB at all entities falling under its consolidated scope of supervision. The Crédit Agricole CIB group's General Inspection staff comprises 159 internal employees covering the Corporate and Investment Banking (132) and Indosuez Wealth Management (27) scopes.

As a third line of defence, the General Inspection Department (IGE):

- assesses the effectiveness and efficiency of the internal control system referred to in Article 11 of the Decree of 3 November 2014 and Article 13 of the Decree of 6 January 2021, as well as those ensuring the reliability and accuracy of the financial, management and operational information of the entities subject to audit;
- ensures that the level of risks incurred by the Bank, either directly or through outsourced activities, and that the management of these risks (risk identification, recognition, control and mitigation policy) are consistent with approved parameters, policies and strategies, particularly with respect to the following risk categories: credit risk (including concentration risk, dilution risk and residual risk), market, liquidity, global interest rate, intermediation, settlement-delivery, anti-money laundering and counter-terrorist financing

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risk, business discontinuity risk, IT, legal, non-compliance, basis, securitisation risk, systemic risk, model risk, excessive leverage risk, as well as the various components of operational risk (including internal/external fraud);

- verifies that transactions are carried out in accordance with laws and regulations, as well as internal policies and procedures;
- verifies that procedures comply with applicable laws and regulations, the Bank's risk appetite statement and strategies, as well as Executive Management decisions;
- verifies the adequacy, quality and effectiveness of the controls carried out and the reports prepared by the first and second lines of defence;
- verifies that appropriate corrective actions are taken in a timely manner;
- and assesses the operation and effectiveness of the departments.

IGE may also investigate cases of major internal or external fraud (suspected or proven) or carry out specific audits on matters not stemming from the risk map established by IGE and used to define the audit plan.

IGE is fully integrated into Crédit Agricole S.A.'s "Audit-Inspection Business Line" (LMAI), which has overall responsibility for managing the internal audit activity for the entire Crédit Agricole Group.

IGE is headed by Crédit Agricole CIB's Head of General Inspection, who is responsible for Crédit Agricole CIB's General Inspection Function, as defined in the Order of 3 November 2014 and for Crédit Agricole CIB's AML/CFT Periodic Control Function, as defined in the Order of 6 January 2021.

Crédit Agricole CIB's Head of General Inspection reports to the Crédit Agricole Group's Head of Internal Audit and is functionally subordinate to Crédit Agricole CIB's Executive Management. The Head of Internal Audit enjoys unrestricted access to Crédit Agricole CIB's Executive Management and attends meetings of the Board's Risk and Audit Committees. Moreover, the General Inspection Department has no responsibility or authority over the activities it controls, which guarantees its independence.

In carrying out its work, the General Inspection Department is structured into global business lines. The General Inspection Department teams are based at the Head Office and some international entities and/or subsidiaries. All Crédit Agricole CIB group internal audit teams report to the Head of General Inspection, unless prohibited by local laws or regulations, in which case the local internal audit team is functionally subordinate to IGE.

During the 2023 financial year, IGE audits covered various entities and units in France and abroad on a single-entity or single-subsidiary basis, reviews of business lines and thematic or cross-functional audits, including IT and regulatory audits. The General Inspection Department also carries out specific assignments at the request of Crédit Agricole CIB's Executive Management, its Risk Committee or the Group Internal Audit Department.

Auditing work essentially stems from the annual audit plan determined using an updated risk mapping approach as well as information provided by Executive Management, the other control functions, Crédit Agricole CIB's statutory auditors, the Risk and Audit Committees of the Board of Directors, as well as the objectives of Executive Management in terms of internal control and the instructions of the Board of Directors. The Head of General Inspection submits the annual audit plan to the Crédit Agricole Group Head of Internal Audit for prior approval, then presents it to Crédit Agricole CIB's Internal Control Committee, before submitting it to the Board's Risk Committee, which reviews it and recommends its approval to the Board of Directors. The Head of General Inspection then submits the Audit Plan for approval to the Board of Directors.

For assignments with a global scope or for which the conclusions deemed globally relevant, a summary is sent to the Chairman of Crédit Agricole CIB's Board of Directors, Crédit Agricole CIB's Executive Management and Crédit Agricole's Head of Internal Audit. A summary of the main conclusions of the audit reports is presented to the Risk Committee and Crédit Agricole CIB's Board of Directors by the Head of General Inspection or their representative and to the governance body and/or the Internal Control Committees of the departments or entities subject to audit, as relevant.

The assignments completed by the General Inspection Department and by any external auditing team are subject to formalised recommendation follow-up. The progress made in implementing recommendations is monitored by the General Inspection Department:

- on an ongoing basis through an "open-ended" process;
- through thematic monitoring of audit assignments, or as part of investigations conducted during a scheduled audit;
- at the request of a department via an "open-ended" process, in close partnership with the permanent controller. This process allows the progress of action plans to be recorded between two semi-annual follow-ups;
- Where a lack of progress is noted, a recommendation escalation meeting may be held with the entities concerned to focus on their key recommendations and associated risks and decide on the appropriate action plan. This meeting is attended by IGE, the Management team of the entity concerned, its Operational Risk Manager and the member of the Executive Committee to which the entity reports as a last resort.

Twice a year, IGE presents an overview of all recommendations issued the Bank's Internal Control Committee and the Board of Directors' Risk Committee. In accordance with Article 26 of the Order of 3 November 2014 and Article 26 of the Order of 6 January 2021, at their discretion the Head of General Inspection informs the Board of Directors and its Risk Committee of any corrective measures that have not been implemented.

In accordance with the organisational arrangements common to all Crédit Agricole Group entities, described above and with the arrangements and procedures within Crédit Agricole CIB, the Board of Directors, Executive Management and the relevant units of the Bank are given detailed information about internal control and risk exposure, the progress made in these areas and implementation status of adopted remedial measures, as part of an ongoing improvement approach. This information is contained in the Annual report on internal control, risk measurement and risk supervision and in regular reporting documents covering business activities, risk and control.

2.4. Credit risks

A credit risk occurs when a counterparty is unable to fulfil its obligations and when the commitment and so inventory value of these obligations on Crédit Agricole CIB group's books is positive. The counterparty in question may be a bank, an industrial or commercial company, a government or government entity, an investment fund or an individual.

The exposure may be a loan, debt security, title deeds, performance swaps, guarantees given, unused confirmed commitments or market transactions. This risk also includes the settlement risk inherent in any transaction entailing an exchange (cash or physical) goods outside a secure settlement system.

Credit risks were the subject of a taxonomy established at Crédit Agricole Group level and adapted for Crédit Agricole CIB, which is presented in Chapter 8 of this Universal registration document. This taxonomy is used below.

More specifically, with regard to counterparty risk in market transactions, the policy on the establishment of credit reserves for this type of risk is similar to credit risk with, for "performing" exposures, a CVA (Credit Valuation Adjustment) risk assessment mechanism economically comparable to a collective provision and for customers in default an impairment appropriate to the derivative's situation and taking into account the existence of the CVA established before default.

In the event of default, impairment is assessed in accordance with the same principles as those governing the credit risk provisioning policy: expected loss amount depending on the derivative instrument's rank in the waterfall, taking into account the CVA process, with two possible outcomes: either derivatives are left in place (CVA or individual impairment), or they are terminated (individual impairment).

2.4.1 Objectives and policy

Risk-taking in Crédit Agricole CIB is done through the definition of risk strategies approved by the Strategy and Portfolio Committee (CSP), chaired by Executive Management. Risk strategies are set for each country, business/product line or sector carrying a significant risk for the Bank within the scope of control of Crédit Agricole CIB. They aim to define the principal risk guidelines and to establish the acceptable risk budgets within which each business line or geographic entity must conduct its activities and cover: business sectors included (or excluded), type of counterparty, nature and duration of transactions or activities or authorised product types, category or intensity of risks incurred, existence and value of collateral, overall portfolio volume, definition of individual and overall risk level, diversification criteria.

By establishing a risk strategy for each scope deemed significant by Crédit Agricole CIB the Bank is able to define its risk appetite and quality criteria for the commitments that it subsequently undertakes. It also prevents undesirable excessive concentrations and allows the risks associated with the portfolio to be diversified.

Concentration risks are managed by using specific indicators for certain portfolios that are taken into account when granting loans individual concentration grid. Concentrations are then monitored a posteriori for the affected portfolios, by analysing the quantitative measure assigned to this use and based on the Bank's internal model.

Finally, portfolios are actively managed within Crédit Agricole CIB to reduce the main concentration risks and optimise its uses of shareholders' equity. Execution Management uses market instruments such as credit derivatives or securitisation mechanisms to reduce and diversify counterparty risks. Management of credit risk using derivatives is based on the purchase of credit derivatives on single exposures (see "Basel III Pillar 3 Disclosure" Credit risk mitigation mechanism - Use of credit derivatives section). Similarly, credit syndication with external banks and efforts to hedge risks (credit insurance, derivatives, MRPAs, etc.) are other solutions used to mitigate concentrations.

2.4.2 Management of credit risk

GENERAL PRINCIPLES OF RISK-TAKING

Credit decisions are based on the upstream risk frameworks described above.

Limits are set for all counterparties and groups of counterparties, in order to control the amount of commitments, irrespective of the type of counterparty (corporates, sovereign, banks, financial institutions, local authorities, SPVs, etc.). Authorisations vary according to the quality of the risk, assessed by an internal counterparty rating. The credit decision must be aligned with the limits set out in formally approved risk frameworks.

Second-degree controls on compliance with limits are carried out by the "Risk and Permanent Control" Department, supplemented by a process for monitoring individual and portfolio risks, notably to detect any deterioration in the quality of counterparties and Crédit Agricole CIB's commitments as early as possible.

If the risk has deteriorated significantly since the date that a commitment was established, the impairment policy under IFRS 9 provides for an increase in the hedging of the commitment in the form of a provision.

The selection of new transactions is approved in accordance with a decision-making process based on two Front Office signatures, one by a manager authorised to make such a request and the other by a manager with the authority to make a credit decision.

The decision is supported by an independent opinion by the Risk and Permanent Control Department approved by an authorised RPC signatory and must take Basel II parameters into account, including the internal counterparty rating and the predictive loss given default attributed to the proposed transactions. An ex-ante profitability calculation must also be included in the credit application. In the event the risk management team's opinion is negative, the decision-making power is passed up to Front Office agent who chairs the next-highest committee.

Comparison between internal ratings and those of rating agencies

Crédit Agricole Group	A+	A	B+	B	C+	C	C-	D+	D	D-	E+	E	E-
Moody's equivalent	Aaa	Aa1/Aa2	Aa3/A1	A2/A3	Baa1	Baa2	Baa3	Ba1	Ba2	Ba3	B1/B2	B3	Caa/Ca/C
Standard & Poor's equivalent	AAA	AA+/AA	AA-/A+	A/A-	BBB+	BBB	BBB-	BB+	BB	BB-	B+/B	B-	CCC/CC/C

METHODOLOGIES AND SYSTEMS USED TO MEASURE AND EVALUATE RISK

Internal rating system

The internal rating system covers all methods, procedures and controls used to calculate credit risk, borrower ratings and loss given default figures for all of our exposures.

In late 2007, Crédit Agricole CIB received authorisation from the Regulatory and Resolution Supervisory Authority (ACPR) to use its internal credit risk rating system to calculate regulatory capital requirements.

The methods employed cover all types of counterparties and combine quantitative and qualitative criteria. They are developed by calling on the expertise of the various financing business lines of Crédit Agricole CIB or the Crédit Agricole Group if they cover clients shared by the entire Group. The rating scale has fifteen positions. It was established on the basis of risk segmentation in order to provide a uniform view of default risk over a full business cycle. The scale comprises thirteen ratings (A+ to E-) for counterparties that are not in default (including 3 ratings for counterparties that have been placed under watch) and 2 ratings (F and Z) for counterparties that are in default.

The relevance of ratings and reliability of data used are assured through a process of initial validation and maintenance of internal models, based on a structured and documented organisation applied to the Crédit Agricole Group and involving the entities, the Risk and Permanent Control Department and the Audit-Inspection business line.

All internal models used by Crédit Agricole CIB were presented to the Standards and Methodology Committee (CNM) for validation prior to an internal audit and rating by the Group Internal Audit Department. They were also validated by the ACPR on 1 January 2008. In addition, a new internal model review system has been in place since 2014. Each change in internal model is now subject to a second review by the Group Risk Department's validation team before even being presented for validation to the CNM.

Internal ratings of companies are monitored under a system common to the entire Crédit Agricole Group, serving to guarantee a uniform rating within the Group and to organise backtesting on shared customers.

Crédit Agricole CIB has ensured that the risk parameters required by Basel II for the purpose of calculating capital requirements, are used as part of the Bank's internal management by all contributors to credit approval and credit risk measurement and supervision processes.

The data used for granting loans and determining ratings are monitored every two months by a Basel Requirements Review Committee. This Committee, coordinated by the Risk Management Department comprises representatives of all business lines, monitors a set of indicators concerning the quality of the data used for rating purposes, as well as the calculation of other Basel II parameters when granting (loans, such as loss given default [LGD], credit conversion factor [CCF], risk reduction factor [RRF], etc.). This Committee strengthens the appropriation of the Basel II system by the business lines and, where necessary, decides on corrective actions when anomalies are detected. It is a critical link in checking that the Basel II system is used properly by the business lines.

Backtesting system

Backtesting aims to ensure the robustness, performance and predictive power of the Bank's internal models over time. It also serves to detect significant changes in the structure and behaviour of portfolios and clients. It then leads to decisions to adjust or even recast models in order to take account of these new structural elements.

The following analysis is carried out on the backtesting of the PD (Probability of default) scope:

- consistency between observed long run average (LRA) default rates and master scale PDs (based on the calculation of a confidence interval around the LRA default rate);
- analysis of defaults (including discriminating power and more qualitative analysis in the case of low default portfolios (LDPs);
- stability of ratings over time (both in terms of distribution of the portfolio's ratings and of one-year changes in the portfolio's ratings);
- analysis of model parameters (analysis of variables involved in determining ratings, correlations, changes to various intermediate ratings, etc.).

The main objective of LGD backtesting is to regularly compare, for all LGD models in IRBA:

- predictive LGDs: LGDs assigned by the internal model to transactions within Crédit Agricole CIB's portfolio at a given date;
- and historical LGDs:
  - LGDs derived from post-default collection histories, for closed and open exposures with a maturity in excess of the maximum collection period;
  - LGDs calculated using post-default collection histories and estimated future collections, for open exposures with a maturity of less than the maximum collection period.

The risk horizon set by the regulator is one year; the predictive LGDs associated with the transactions should therefore be compared, one year prior to default, with historic LGDs.

As the nature of LGD models and the volume of defaults are different for each LGD scope, LGD backtesting studies are adapted to each scope. At the very least, the LGD backtesting of a scope will compare predictive and historical LGDs quantitatively and or qualitatively based on volumes.

There are three main types of LGD scopes detailed as follows:

- the specialised lending scope: with regard to asset financing (Aeronautics, Real Estate/Hospitality, Railway, Shipping), predictive LGD is derived from a model calibrated on internal loss histories through a decision tree. The main criteria included in predictive LGD are asset type, asset quality, LTV level, financing seniority, etc.;
- the unsecured corporate, banking and sovereign financing scope: predictive LGD is obtained using an LGD grid specific to each scope (corporate, banking, insurance, etc.) involving third-party variables such as business sector or country of risk, for example;
- the secured corporate, bank and sovereign financing scope: predictive LGD is obtained by applying Risk Reduction Factors (RRF) to the elements secured by a personal guarantee or by collateral and using unsecured LGD grids for the unsecured elements.

The backtesting of default rates carried out on Crédit Agricole CIB's Large Clients portfolio in 2023 thus ensures the relevance of PD models. One-year estimated PD is confirmed by the default rates actually observed over the period in question, or over a longer period.

For models within its area of responsibility, Crédit Agricole CIB reports back to the Crédit Agricole Group annually on the backtesting results, through both the Validation Technique Committee and the CNM, thereby confirming the proper application of the selected statistical methods and the validity of the results. The summary document recommends appropriate corrective measures (methodology review, recalibration, training effort, control recommendations, etc.) where necessary.

Credit risk measurement

The measurement of credit risk exposures covers drawn facilities and confirmed unutilised facilities alike. To measure counterparty risk on capital markets transactions, Crédit Agricole CIB uses an internal method for estimating the underlying risk of derivative financial instruments (swaps and structured products for example).

Counterparty risks in capital market activities are assessed for potential risk linked to fluctuations in the market value of derivative instruments for the remainder of their life. This is determined according to the nature and remaining maturity of agreements, based on a statistical observation of changes to underlyings. When permitted by the netting and collateralisation agreements with the counterparty, counterparty risk is measured for the portfolio net and eligible collateral. This method is used for the internal management of counterparty risks.

To reduce exposure to counterparty risks, Crédit Agricole CIB implements netting and collateralisation agreements with its counterparties (see section 2.4.4 “Credit risk mitigation mechanism”).

Quantified information on credit risks is presented in section 2.4.5 “Exposures” of this chapter and in Note 3.1 to the consolidated financial statements (see Chapter 6 “Consolidated financial statements at 31 December 2023” of this Universal registration document).

Concentration risks

Crédit Agricole CIB decision-making and individual risk supervision procedures are supplemented by a portfolio risk monitoring system that enables the Group to assess counterparty risks for its overall portfolio and for each of the constituent sub-portfolios, according to a breakdown by business line, sector, geographic region, or any delineation that brings out specific risk characteristics in the overall portfolio.

In principle, portfolio reviews are carried out yearly on each significant scope in order to check that the portfolio is consistent with the risk strategy in force, to assess the various segments of the portfolio against one another and against any aspects of the operating environment or external factors that may be influencing them.

Different tools have been implemented to detect any concentration deemed to be excessive for the entire portfolio, sub-portfolios or at a unit level:

- unit concentration grids have been implemented to give reference points according to the type, rating and LGD of the counterparty. They are used in the credit approval process and subsequently applied periodically to certain portfolios to detect concentrations which may later appear excessive;
- sector and geographic concentrations are regularly monitored and subject to ad hoc analyses, with recommendations for action made if necessary. Concentration risks may be taken into account to analyse the risk strategies of the business lines or geographic entities;
- Executive Management is notified of the portfolio’s concentration if necessary.

Crédit Agricole CIB uses credit risk modelling tools and in particular an internal portfolio model that calculates risk indicators such as: average loss, volatility of potential losses and economic capital. The average loss and its volatility allow us to anticipate the average cost of risk on the portfolio of Crédit Agricole CIB and its variability. Economic capital is a complementary measure of Basel II regulatory capital, in that it provides a more detailed understanding, through a correlation model and internally calibrated parameters, the specificities of the portfolio of Crédit Agricole CIB.

The internal portfolio model also takes into account the positive impact of purchase protection (Credit Default Swaps, securitisations) purchased by Crédit Agricole CIB’s Credit Portfolio Management unit. Finally, it measures the effects of concentration and diversification within the portfolio of Crédit Agricole CIB. These effects are studied based on individual and geo-sectoral criteria.

Stress scenarios are the other type of counterparty risk assessment tool. They are regularly produced to estimate the impact of economic scenarios (central, adverse) on some or all parts of the portfolio.

Sector concentration risk

Crédit Agricole CIB’s portfolio is analysed at regular intervals included in particular the review of the most sensitive industrial sectors. Risks within each sector in terms of commitments, level of risk (expected loss, economic capital) and concentration are examined.

Concentration is assessed on two levels: idiosyncratic and geo-sectoral. The granularity of these analyses can be declined more or less fineness depending on the analyst’s needs.

At the same time, the economic and financial risks of each major sector are analysed and leading indicators of deterioration are monitored.

Specific stress scenarios are also prepared, where necessary, for instance during the strategic review of a Bank entity or sector.

In light of these various analyses, measures to diversify or protect sectors at risk of deterioration are recommended.

Country risk

Country risk is the risk that the economic, financial, political, legal or social conditions of a foreign country will affect the Bank’s financial interests. It does not constitute a different type of risk from “basic” risks (credit, market, operational), but rather an aggregation of the risks resulting from vulnerability to a specific political, social, macroeconomic and financial environment.

The system for assessing and monitoring country risk within Crédit Agricole CIB is based on a proprietary rating methodology. The internal rating assigned to each country is based on criteria such as the financial strength of the country’s government, banking system and economy, capacity and willingness to pay, governance and political stability.

Any regions in which we plan to do business are subject to the ad initio implementation of a risk strategy. Therefore, any region in which authorisations are used must have a previously validated country limit. Risk strategies, validated by the appropriate committee, define country limits. These are defined as often as necessary and generally once a year.

This approach is supplemented by scenario analyses aimed at testing the impact of adverse macroeconomic and financial assumptions and providing an integrated view of the risks to which the Bank could be exposed in situations of extreme stress.

The scenarios defined by the ECB are analysed.

The Crédit Agricole Group's country risk management and control audits are based on the following principles:

- acceptable exposure limits in terms of country risk are determined when country strategy reviews are performed, based on the assessment of the portfolio's degree of vulnerability to the materialisation of country risk. This degree of vulnerability is determined by the nature and structure of the transactions, the quality of the counterparties and the duration of the commitments. These exposure limits may be reviewed more frequently if made necessary due to developments in a given country. These strategies and limits are validated in accordance with the associated risk considerations by the Strategies and Portfolios Committees (CSP) of Crédit Agricole CIB and the Group Risk Committee (CRG) of Crédit Agricole S.A. in addition to being validated by the Board of Directors of Crédit Agricole CIB;
- a country risk system is maintained by the institution and the rating of each country/region in which the Crédit Agricole Group holds commitments or interests is updated every six months. Specific types of events may call for a review of the rating outside this schedule.

Within the Risk and Permanent Control Department, the entity in charge of country risk must issue an opinion on transactions whose size, maturity or degree of intensity in terms of country risk are liable to affect the quality of the portfolio. This opinion is issued in grid form: supervision and control of country risk exposure, both from a quantitative standpoint (amount and duration of exposures) and qualitative standpoint (vulnerability of the portfolio) are carried out through specific and regular reporting of all country exposures.

Sovereign risk exposures are detailed in Note 3.2 to the consolidated financial statements (see Chapter 6 of the present Universal Registration Document).

◆ Counterparty risk in market transactions

Derivatives and Repo transactions carried out by Crédit Agricole CIB as part of its capital market activities generate a risk of credit in relation to the counterparties to the transaction. Crédit Agricole CIB uses an internal methodology to estimate the inherent risk in these instruments, taking a net portfolio approach at the level of each client:

- current risk corresponds to the sum owing by the counterparty in the event of instantaneous default;
- potential future risk is the estimated maximum value of Crédit Agricole CIB's exposure within a given confidence interval.

The methodology used is based on "Monte Carlo" type simulations, enabling the risk of change over the derivatives' remaining maturity to be assessed based on statistical modelling of the change in underlying market parameters.

The model also takes account of various risk mitigation factors such as the netting and collateralisation arrangements provided for in the documentation negotiated with counterparties prior to transactions being carried out. It also includes exchanges of collateral on the initial margin for non-cleared derivatives, in accordance with the thresholds in force.

Situations with a specific risk of unfavourable correlation (risk that an exposure to a derivative is positively correlated with the counterparty's probability of default as a result of a legal link between this counterparty and the underlying of the derivative) are monitored regularly to identify and integrate such risks in the exposure measurement as recommended by regulations. Situations with a general risk of unfavourable correlation (risk that market conditions have a correlated effect on a counterparty's credit quality and derivative exposures with this counterparty) are monitored through ad hoc exercises in 2023. The internal model is used to manage internal limits on transactions with each counterparty and to calculate Basel II Pillar 2 economic capital via the determination of the risk profile in quantile 95% (peak exposure) or the average risk profile (Expected Positive Exposure) using a global portfolio approach.

As allowed by the regulatory framework, the French Regulatory and Resolution Supervisory Authority (ACPR) authorised Crédit Agricole CIB, on 31 March 2014, to use the internal model method to calculate its capital requirements in respect of counterparty risk. This method uses the model described above to determine EEPE (Effective Expected Positive Exposure) and is applied to all derivatives. The same method is used to calculate the value exposed to credit risk for capital requirement purposes to address the risk of credit value adjustment.

Crédit Agricole CIB uses the standard approach for the calculation of regulatory capital requirements in respect of counterparty risk on Repo transactions and derivative transactions by its subsidiaries.

Credit risk associated with these market transactions is managed in accordance with rules set by the Crédit Agricole Group. The policy on setting counterparty risk limits is identical to the policy described in "Credit risk management General principles of risk taking" (see section 2.4.2 "Credit risk management" of this present chapter). The techniques used by Crédit Agricole CIB to reduce counterparty risk on market transactions are described in "Credit risk mitigation mechanisms" (see section 3.2.4.1 "Basel III Pillar 3 Disclosure" of this Universal registration document).

In determining the fair value of derivatives, Crédit Agricole CIB incorporates the measurement of counterparty risk on derivative assets (Credit Value Adjustment or CVA); this value adjustment is described in consolidated note 1.2 on accounting principles and methods and 11.2 on information on financial instruments measured at fair value.

The charts below show the changes in CVA VaR and CVA stressed VaR over 2023.

▶ **1-day CVA VaR for a 99% confidence interval (€ million)**

▶ **1-day CVA stressed VaR for a 99% confidence interval (€ million)**

CVA capital requirements

€ million	31.12.2023	Minimum	Maximum	Average	31.12.2022
CVA	373	315	375	356	349

The gross positive fair value of the contracts, the benefits of netting and collateral held and the net exposure to derivatives after netting and collateral are detailed in annex note 6.8 on the netting of financial assets (see Chapter 6 of the present Universal Registration Document).

2.4.3 Commitment monitoring system

SYSTEM MONITORING

First-degree controls on compliance with the conditions that accompany a credit decision are carried out by the Front Office. The Risk and Permanent Control Department is in charge of second-level controls.

Commitments are monitored for this purpose and portfolio business is constantly monitored in order to identify at an early stage any assets that might deteriorate, the aim is to launch concrete actions to protect the Bank's interest as early as possible.

Commitment monitoring methods

The following main methods are used:

- performance of daily checks on compliance with the credit decision, in terms of amount and maturity, both on commercial transactions and on market transactions, on all types of counterparties and all categories of counterparty risk generated. These categories are:
  - i. in the scope of market transactions: variation, delivery, issuer, treasury, intermediation, initial margin and default funds from Clearing House (CCP);
  - ii. credit risk on financing activities, including late payments, as well as monthly monitoring of required collateral and investment risk;
- presentation of detected anomalies at the committee meetings to which the relevant Business Lines and Risk & Permanent Control (RPC) departments contribute;
- breaches are monitored and may give rise to corrective measures and/or special monitoring with the Business Lines. The frequency of these committee meetings varies depending on scope: bimonthly for the market transactions scope and quarterly for the financing transactions scope;
- transmission of a monthly summary to Executive Management and a quarterly presentation to the Internal Control Committee on anomalies for the market scope.

Permanent monitoring of portfolio business

Multiple bodies permanently monitor portfolio business to detect any potential deterioration or any risk concentration problem as early as possible:

- monthly “Early warning” meetings are held, which endeavour, by various means, to identify early signs of potential deterioration in loans classified as performing but deemed sensitive, in order to reduce or cover the risk exposure;
- quarterly reviews of major risks are carried out, regardless of the type of borrower in question;
- regular research on excessive unit, sector and geographic concentrations is carried out;
- a risk situation is established for counterparty risks on market transactions (variation risk calculated under normal and stressed market conditions), issuer risks, risks on bond Repos and guarantee risks on credit derivatives. Reports on the oversight of unfavourable collaterals risk on collaterals, credit derivatives, equity derivatives, bond Repos and equity loans and borrowing are also produced. These documents are presented to and reviewed by a dedicated committee.

These steps result in:

- changes to the internal ratings of counterparties, which are, where necessary, classified as “sensitive cases”;
- practical decisions to reduce or cover at-risk commitments;
- loans and receivables possibly being transferred to the specialised collections unit.

Identification of forbearance measures

Since 2014, Crédit Agricole CIB has identified in its information systems any exposures having been subject to forbearance measures, as defined in Article 47b of Implementing Regulation 2019/630 of the European Parliament and of the Council. A pre-identification procedure is first carried out, during the loan approval process, in which Crédit Agricole CIB studies its clients’ credit restructuring requests. Once the forbearance measure has actually been implemented, the outstanding amounts subject to the forbearance measure are reported as such, regardless of their internal rating or status performing or non-performing. If the forbearance measure results in a reduction of 1% or more in the present value of the restructured outstandings calculated at the original effective interest rate, it is classified as an “emergency restructuring”, a reason for Basel default. Outstanding amounts are no longer reported as having been subject to forbearance measures after verification – via an annual review or ad hoc credit committee meeting – that they meet the exit conditions defined in the aforementioned regulation.

Outstanding amounts subject to a forbearance measure are reported in Note 3.1 to the consolidated financial statements (see Chapter 6 of the present Universal Registration Document). A forbearance measure indicates a significant increase in credit risk under IFRS 9. The accounting principles applicable to these outstanding amounts are described in Note 1.2 to the consolidated financial statements (see Chapter 6 of the present Universal Registration Document).

SENSITIVE CASE MONITORING AND IMPAIRMENT

Sensitive cases, whether “under special supervision” or bad debts, are closely monitored and enhanced supervision is conducted on a regular basis.

This supervision takes the form of quarterly sensitive case committee meetings chaired by the Head of Risk and Permanent Control - Sensitive Cases and Impairment, which review the classification of these cases as sensitive cases and determine whether they should be transferred to a specialised team (DAS, UGAM for ship financing or SGADS for aircraft financing) and the appropriate level of specific impairment which is reported to Executive Management, which must validate it and then transfer it to Crédit Agricole S.A.

The definition of default that is used complies with the provisions of European Regulation No. 575/2013 of 26 June 2013. Stringent default identification processes and procedures have been put in place on these bases. These are updated as and when regulations change and were updated at the end of 2019 to incorporate European Banking Authority Guidelines No. 2016-07.

STRESS SCENARIOS

Credit Stress tests are carried out to assess the potential impact the Bank may face (in terms of loss, provisioning and capital) in the event of a serious deterioration in the economic and financial environment.

There are three categories of Stress test:

- the first aims to reflect the impact of a macroeconomic deterioration affecting the entire portfolio in terms of cost of risk, regulatory capital requirements and impact on the solvency ratio. Such a scenario is mandatory as part of the enhanced prudential supervision required under Pillar 2 of Basel II. Since 2014, this exercise has been conducted by the ECB and the EBA, with the aim of testing the financial solidity of banks and/or the banking system as a whole. Since 2016, the results of the regulatory Stress tests are taken into account in the calibration of capital requirements under Pillar 2;
- the second consists of budget simulations and aims to stress-test the Bank's central budget on the basis of an economic scenario communicated by Crédit Agricole S.A. in the budget process;
- the third involves targeted Stress tests on a particular sector or geographic area that constitutes a homogeneous group in terms of risks. This type of Stress test is carried out on a case-by-case basis for risk strategy management purposes. It provides an insight into losses and/or capital requirements in the event an adverse scenario defined for the specific purposes of the year materialises; accordingly, the selected strategy and notably the amount of the requested budgets may be challenged in light of the creditworthiness of the portfolio to date and the impact of economic situations potentially adverse to the portfolio in question may also be taken into account. Sensitivity tests may be carried out in addition to these Stress tests.

According to the central economic scenario used for the projection of risk parameters, inflation should gradually decline in the Eurozone in 2024. The same trend should be observed in the United States to reach levels close to the Fed target. Overall, we would see good labor market performance. Moreover, GDP growth is expected to remain steady in 2024 in the Eurozone and to a slightly lesser extent in the United States.

According to the adverse scenario, a stalemate should be reached in the conflict in Ukraine, accompanied by a new shock on energy and commodity prices, agricultural prices in particular. Accordingly, Eurozone inflation is expected to rise to over 7% in 2024, shaving 1.5% off GDP. The same trend, observed in the United States, should see GDP fall by around 1%.

2.4.4 Credit risk mitigation mechanism

COLLATERAL AND GUARANTEES RECEIVED

Crédit Agricole CIB requires guarantees and collateral from a significant number of its counterparties to reduce its risks on financing and market transactions. The Basel II eligibility principles on accepting and managing guarantees and collateral are defined by the Crédit Agricole Group's Standards and Methodology Committee. This common framework ensures a consistent approach across the Crédit Agricole Group's various entities. The Committee documents aspects including regulatory treatment, valuation and revaluation methods for all credit risk mitigation techniques used within the Crédit Agricole CIB group. Crédit Agricole CIB then devises its own operational procedures and arrangements for the detailed management of these guarantees and collateral.

Commitments given and received are described in Note 9 to the consolidated financial statements (see Chapter 6 of the present Universal Registration Document).

USE OF NETTING AGREEMENTS

In accordance with the recommendations of the Basel Committee and the CRD IV European Directive on regulatory capital, the French Regulatory and Prudential Supervisory Authority (ACPR) requires strict compliance with several conditions in order to recognition of termination-set-off or close-out netting and for it to be included in the calculation of a financial institution's capital requirements.

These conditions include: obtaining recent written and reasoned legal opinions as well as proceedings "in order to ensure at any time the validity of the novation agreement or the netting agreement in the event that applicable regulations are revised".

Close-out netting is defined as the possibility, in the event of default by the counterparty (including in the event of openning of collective procedures), to terminate ongoing transactions in advance and to be able to calculate a net balance of the reciprocal obligations, using a calculation method stipulated in the agreement.

Close-out netting is thus an early netting mechanism with three stages:

1. early termination of transactions under a master agreement in the event of a default or a change in circumstances;
2. calculation of the market value (positive or negative) of each transaction at the date of termination (and the valuation of any collateral);
3. calculation and payment of the net single termination balance including the valuation of terminated transactions, any collateral and outstanding amounts owed (by the party liable for the net amount).

Collateral (or collateralisation) represents a financial guarantee mechanism used in OTC markets, which allows securities or cash to be transferred as collateral or with full title transferred, during the life of the hedged transactions. In the event of default by either party, the collateral will be included in the calculation of the net balance of reciprocal obligations under the master agreement signed with the counterparty.

The implementation of the close-out netting and collateralisation mechanism is analysed by the legal department for each jurisdiction by type of contract, counterparty and product. Countries are classified as either A or B.

Countries classified as A are those where the laws and regulations are deemed to provide sufficient certainty for the recognition and effective implementation of close-out netting and collateralisation mechanisms, including in the event of the counterparty's bankruptcy. Conversely, countries classified as B are those where there is a risk of these mechanisms not being recognised or for which no legal opinion has been provided.

The conclusions of these analyses and country classification proposals are presented for approval at meetings of the Netting and Collateral Policy Committee (or PNC Committee).

USE OF CREDIT DERIVATIVES

Crédit Agricole CIB uses credit derivatives and a range of risk transfer instruments, including securitisation, in managing its corporate financing portfolio.

At 31 December 2023, outstanding protection purchased in the form of credit derivatives amounted to €4.2 billion (€6.5 billion at 31 December 2022), while the notional amount of short positions was nil (identical to 31 December 2022).

Crédit Agricole CIB trades credit derivatives with around ten top-tier competent, regulated Investment Grade banks. Moreover, 75% of these derivatives are processed through a clearing house (69% at 31 December 2022), which acts as a guarantor of these credit risk hedging transactions. Bilateral transactions (i.e. processed outside clearing house) are conducted with competent, regulated investment grade counterparties located in France, the United Kingdom or the United States and which act as guarantors of these credit risk hedging transactions. The Bank monitors any concentration of risks on these out-off clearing house hedge providers, applying notional limits per banking counterparty, set and reviewed annually by the Crédit Agricole CIB Risk Department.

These credit derivative transactions, carried out for credit risk mitigation purposes, are subject to a prudent valuation adjustment to cover market risk concentration.

The notional amounts of credit derivative outstandings are provided in Note 3.3.2 to the consolidated financial statements, “Derivative transactions: amount of commitments” in Chapter 6 “Consolidated financial statements at 31 December 2023” of this Universal registration document.

2.4.5 Exposures

MAXIMUM EXPOSURE TO CREDIT RISK

An entity’s maximum credit risk exposure is the net carrying amount of loans and receivables and debt and derivative instruments before netting and collateral agreements. This information is provided in Note 3.1 to the consolidated financial statements (see Chapter 6 of the present Universal Registration Document).

As at 31 December 2023, Crédit Agricole CIB’s maximum exposure to credit and counterparty risk was €847 billion, compared with €787 billion as at 31 December 2022.

CONCENTRATIONS

◆ Breakdown of counterparty risk by geographic region (including bank counterparties)

The amount of loans granted by Crédit Agricole CIB (net of Export Credit Guarantees and excluding UBAF) totalled €457 billion at 31 December 2023 (compared to €465 billion at 31 December 2022) and can be distributed as follows:

Breakdown in %	31.12.2023	31.12.2022	31.12.2021
Other Western European countries	31.06%	30.07%	28.74%
France	20.62%	26.54%	28.49%
North America	19.38%	18.71%	16.72%
Asia (excluding Japan)	10.17%	11.27%	11.81%
Japan	11.54%	5.76%	5.80%
Africa and Middle East	3.81%	4.24%	4.57%
Latin America	2.25%	2.18%	2.09%
Other European countries	1.17%	1.23%	1.76%
Other and supranational	0.01%	0.00%	0.00%

Source: risks (excluding UBAF, commercial commitments on the balance sheet and off-balance sheet commitments of customers and banks, net of export credit guarantee).

Note 3.1 to the consolidated financial statements (see Chapter 6 of the present Universal Registration Document) also presents the breakdown of loans and receivables and commitments given to customers and credit institutions by geographic region based on accounting data.

The overall balance of our portfolio in terms of distribution between the various geographic areas was stable overall compared to 2022. It should be noted, however, that the share of commitments in Japan increased due to the cash deposits made with the Bank of Japan. The share of commitments in France fell from 26.5% to 20.6% between end-2022 and end-2023, largely owing to a decrease in the level of liquidity in the Eurosystem.

Breakdown of risks by business sector (including bank counterparties)

At 31 December 2023, loans granted by the Crédit Agricole CIB group, net of export credit guarantees (excluding UBAF), totalled €457 billion (€525 billion gross), compared with €465 billion in 2022 (€532 billion gross). The distribution can be broken down by economic sector as follows:

Breakdown in %	31.12.2023	31.12.2022	31.12.2021
Bank	19.84%	20.14%	20.27%
Miscellaneous	14.75%	15.69%	16.52%
O/w Securitisations	8.23%	8.64%	9.05%
Other financial activities (non-banking)	8.33%	8.28%	6.34%
Oil & Gas	7.05%	8.62%	8.81%
Electricity	6.80%	5.93%	4.71%
Real estate	4.82%	4.64%	4.46%
Telecom	4.09%	3.30%	2.65%
Aerospace/Aeronautics	3.60%	3.48%	3.56%
Heavy industry	3.33%	3.50%	3.33%
Automotive	2.95%	2.85%	3.23%
Other industries	2.95%	2.72%	2.78%
Other transport	2.83%	2.43%	2.21%
Maritime	2.70%	2.45%	2.59%
IT/Technologies	2.68%	2.75%	2.14%
Production & Distribution of Consumer Goods	2.66%	2.37%	2.65%
Insurance	2.26%	2.20%	2.15%
Construction	1.97%	1.92%	1.95%
Health/Pharmaceuticals	1.78%	1.76%	1.67%
Agri-food	1.57%	1.41%	1.43%
Tourism/Hotels/Restaurants	0.98%	1.08%	1.40%
Non-commercial services/ Public sector/Local authorities	0.89%	1.26%	1.47%
Utilities	0.43%	0.47%	2.89%
Media/Publishing	0.41%	0.37%	0.50%
Wood/Paper/Packaging	0.32%	0.38%	0.29%
TOTAL	**100.00%**	**100.00%**	**100.00%**

Source: risks (excluding UBAF, commercial commitments on the balance sheet and off-balance sheet commitments of customers and banks, net of export credit guarantee).

The overall balance of the portfolio, in terms of the breakdown between the different sectors, was globally stable year-on-year. The following should be noted:

- more than half of the "Miscellaneous" segment comprises securitisation transactions (mainly liquidity facilities granted to securitisation programmes financed through our conduits) these outstandings were down slightly (-6%) in 2023. Other commitments concern clients with a highly diversified activity (particularly wealth management/financial holding companies);
- the "Oil & Gas" sector comprises a wide variety of underlying assets, players and types of financing. Most of the exposure in the oil sector relates to operators that are structurally less sensitive to the fall in oil prices (public sector companies, large international companies, transportation/storage/refinery companies). Conversely, clients focused on exploration/ production and those dependent on industry investment levels (oil services) are the most sensitive to market conditions. The "Oil & Gas" sector, already closely watched for several years, is still being extensively monitored and is subject to a highly selective exposure approach and any new material transactions are subject to an in-depth analysis of credit and CSR risk;
- half of "Electricity" sector exposure relates to major integrated or diversified groups;
- the "Property and Tourism" portfolio mainly consists of specialised lending for high-quality assets granted to real estate investment professionals; other corporate-based financing is mainly granted to major real estate companies and is often accompanied by interest rate hedges. The balance of Crédit Agricole CIB's commitments includes guarantees issued on behalf of leading French property developers and interest rate hedges for social housing market participants (mainly public sector agencies) in France. The health crisis has weighed heavily on investments and leases. Retails stores have been hit hard by the consequences of lockdowns and the tourism industry has been heavily impacted internationally. Furthermore, due to the uncertain macroeconomic environment and inflation pressures, the sharp rise in interest rates for more than a year now has caused real estate assets to be repriced and weakened the sector as a whole. Crédit Agricole CIB boasts an excellent-quality portfolio, which has proved resilient but is still under close watch;
- "Aeronautics" sector financing involves financing for very high-quality assets for major, or financing of major manufacturers or equipment manufacturers that are among the world leaders;
- the "Automotive" portfolio has been closely monitored since the end of 2018 and is focused mainly on large manufacturers, with limited development in the automotive supplier sector. After a significant increase in our sector commitments in 2020 (mainly stemming from the establishment of an exceptional budget for a 24-month period intended to help our top clients meet their liquidity needs in the current health crisis), commitments have been relatively stable since in 2021, totalling €13.5 billion (versus €13.3 billion in 2022);
- the current position in the "Shipping" segment is the result of Crédit Agricole CIB's expertise and background in mortgage financing for ships, which it provides to its international ship-owning clients. After 10 difficult years, shipping has shown signs of recovery since 2018, bolstered by solid order pipeline and a more moderate supply of ships/tonnage. Nevertheless, the sector is still subject to some volatility due to the ongoing health crisis in China, supply chain disruptions and Russian-Ukrainian conflict, which has affected global growth and international trade by sea. However, our portfolio remained relatively well-protected thanks to its diversification (financing of oil tankers, gas carriers and off-shore facilities, cargo ships, container ships, cruise ships, etc.) and by the quality of its ship financing structures, secured by mortgage loans and credit insurance coverage;
- the "Heavy Industry" sector mainly includes large global companies in the steel, metals and chemicals sectors. In this sector, commitments to the Coal segment were further reduced, in line with Crédit Agricole Group's CSR policy;
- exposure to the "Telecom" sector rose sharply compared with 2022 (+22%), driven by growth in activity focused on jumbo deals and infrastructure financing (fibre and data centres). The sector comprises commitments to operators and suppliers. It is mainly made up of corporate financing arrangements.

Breakdown of outstanding loans and receivables by economic agent

Concentrations by economic agent of loans and receivables and commitments to credit institutions and customers are presented in Note 3.1 to the consolidated financial statements (see Chapter 6 of the present Universal Registration Document).

Outstanding loans and receivables amounted to €278,6 billion at 31 December 2023.

Concentration of the top ten counterparties (clients)

In terms of commitments, excluding export credit guarantees, the top 10 counterparties accounted for 7.2% of Crédit Agricole CIB's total exposure at 31 December 2023, i.e. up slightly compared to 31 December 2022 (6.6%).

Quality of portfolios exposed to credit risk

At 31 December 2023, performing exposures amounted to €457 billion in net outstanding loans. Their ratings can be broken down as follows:

Breakdown in %	31.12.2023	31.12.2022	31.12.2021
AAA (A+)	22.01%	21.62%	21.72%
AA (A)	2.60%	3.36%	4.18%
A (B+ and B)	32.03%	31.71%	27.14%
BBB (C+ to C-)	31.76%	30.29%	33.02%
BB (D+ to D-)	8.96%	9.26%	10.16%
B (E+)	0.67%	1.36%	1.31%
Commitments under surveillance (E and E-)	0.88%	0.99%	1.02%

Source: risks (excluding UBAF, commercial commitments on the balance sheet and off-balance sheet commitments of customers and banks, net of export credit guarantee).

In 2023, the quality of the portfolio is slightly improving compared to 2022. The proportion of Investment Grade ratings improved, representing 88.4% of the portfolio (vs. 87.0% in 2022), underscoring the high quality of the portfolio.

Application of IFRS 9

The principles used to calculate expected credit loss (ECL) are described in the accounting policies and principles (see Note 3.1 - Credit Risk of Chapter 6 "Consolidated financial statements at 31 December 2023" of the present Universal Registration Document) which include, in particular, the market inputs, assumptions and estimation techniques used.

In order to calculate expected credit loss in the next 12 months and for the entire remaining life, and in order to determine whether the credit risk of financial instruments has increased significantly since their initial recognition, the Crédit Agricole Group draws mainly on data used as part of the regulatory calculation system (the internal rating system, evaluation of risk reduction factors and loss given defaults).

Two distinct types of forward-looking macroeconomic information are used when estimating expected losses: central forward-looking information, used to ensure the homogeneity of the macroeconomic view for all Crédit Agricole Group entities and local forward-looking information, which can be used to adjust the parameters of the central scenario to take into account Crédit Agricole CIB's specific local characteristics.

In putting together central forward-looking information, the Group relies on four prospective macroeconomic scenarios drawn up by Crédit Agricole S.A.'s Economic Research Department (ECO), which are weighted based on their expected probability of occurrence. The baseline scenario, which is based on budget assumptions, is supplemented by three other scenarios (adverse, moderate and favourable). Quantitative models for assessing the impact of macroeconomic data on ECLs are also used in internal and regulatory Stress tests.

Economic variables are updated quarterly and contain the factors that affect the Group's main portfolios (for example: change in French and Eurozone GDP, unemployment rate in France and Italy, household investment, oil prices, etc.).

The economic outlook and the scenarios used for the ECL calculation are reviewed each quarter by the IFRS 9 Coordination Committee, which comprises the main Group entities as well as any departments of Crédit Agricole S.A. that are involved in the IFRS 9 process.

According to the central scenario used for forward looking models forecasts, inflation should gradually decline in the Eurozone in 2024. The same trend should be observed in the United States to reach levels close to the Fed target. Overall, we would see good labor market performance. Moreover, GDP growth is expected to remain steady in 2024 in the Eurozone and to a slightly lesser extent in the United States.

Impairment and risk hedging policy

Accounting standard IFRS 9 came into effect on 1 January 2018, replacing IAS 39. It set out the new accounting classification rules for financial assets, redefined the model and principles of own credit risk impairment of financial assets, specified the methods for recognising the effects of credit risk on liabilities and detailed the new hedge accounting methods.

INDIVIDUALLY IMPAIRED ASSETS

The breakdown by economic agent and geographic area of impaired loans and receivables due from credit institutions and customers is presented in Note 3.1 to the consolidated financial statements (see Chapter 6 of the present Universal Registration Document). These financial statements provide a detailed description of the impairment of doubtful and irrecoverable loans and receivables.

ECL BUCKET 1 & 2

Impairment for credit risk under IFRS 9 has the following characteristics:

- the impairment applies to all asset transactions recognised at amortised cost or at fair value through other comprehensive income;
- impairment under IFRS 9 is estimated based on expected credit losses since origination;
- the ECL estimate is forward-looking, with credit risk parameters that incorporate the Bank's outlook on economic developments and their impact on the portfolio;
- a mechanism for allocating performing exposures to two distinct risk categories Buckets 1 and 2: a performing exposure subject to a significant downward since origination is placed in Bucket 2, resulting in impairment calculated over a period equal to the remaining contractual term of the transaction. Conversely, when the downward is deemed insignificant, the exposure is placed in Bucket 1 and impairment is calculated over a risk horizon of 1 year.

The amount of ECL Buckets 1 and 2 was €1,138 million at 31 December 2023.

Country risk policy and 2024 Economic Outlook

Global growth is expected to slow to 2.4% in 2024 reflecting the impact of global monetary tightening and high inflation. The recent conflict in the Middle East has increased geopolitical risks. The rise in tensions could lead to a further increase in energy prices, ongoing inflation and therefore could further weigh on global growth. The high level of public debt, access to liquidity, the investment needs that for the energy transition, and the uncertainty of political deadlines (in particular the American elections) will all be challenges to be faced by both emerging and developed economies. Faced with high inflation and violent monetary tightening, advanced economies have shown unexpected resilience. For emerging countries, growth should remain stable (about 3.9%). China's growth in 2024 is expected to be around 4.2%, one point less than the 2023 objective, which can be explained by lower household consumption, fragmentation of international trade and more serious deterioration than expected of the real estate sector (which represents around 25% of Chinese GDP). China's slowdown growth is expected to be offset by domestic demand in many countries and the recovery in international trade.

After a third year of deceleration, 2024 should bring a more optimistic note despite an uncertain geopolitical context and the risk of an increase in social conflicts in the world.

After reaching a peak in 2022, inflation should begin to decline, even if its level will remain high beyond the objectives set by the central banks. Indeed, the pressure of geopolitical events (e.g. incidents in the Red Sea and escalation of tensions in the region, consequence of the presidential election in Taiwan and aggressiveness of China), the pursuit rise on energy prices, disruptions in supply chains, but also the resilience of the american economy that contributes to maintaining high underlying inflation. The monetary tightening of 2023 was violent, short-term rates in the Eurozone rose from about 2% to 4% while in the US the fed funds rate reached 5.5% at the end of 2023 (vs. 0.25% at the start of 2022). However, growth in Eurozone remains below pre-pandemic levels. The monetary easing expected from the first half of 2024 should boost investments, which should benefit from the tax reforms undertaken and support global growth. However, in the Eurozone, the pace of growth remains below a weakened potential compared to the pre-pandemic period. Growth in the Eurozone will be capped at 0.5% in 2023, 0.7% in 2024 and 1.4% in 2025. For the English economy, domestic inflationary pressures still require responses. Although, we expect a rate cut in 2024 and then in 2025, it would seem a very gradual easing in line with the Bank of England's wish to exercise prudence towards the markets.

A year marked by elections: towards an acceleration of global decomposition?

Numerous elections are coming in 2024 (60% of global GDP, 50% of the world's population), culminating in the american elections in November. Questions of immigration, the economy and foreign policy will be at the center of the feelings of private voters of constructive debates and filled with spurious speeches. All this fuels distrust of politicians, a movement amplified by social networks, which could result in the arrival (return) of populists' governments to power, a rise in tensions between G7/BRICS, and lead to destabilization major balances and a decomposition of the balance of power. The polarization we are witnessing no longer allows us to consider China as an emerging country. Indeed, it can no longer be looked at through traditional measurement tools, and the assessment of its evolution must be done by including the rise of new risks (example: cyber-attacks with the aim of espionage and/or sabotage).

Thus, investment grade countries are doing better than low-income and developing countries because they maintain access to external refinancing and have more internal resources as well as solid institutions. During 2023, 8 countries saw their rating drop, most of them facing external liquidity/default problems or a serious deterioration in the political situation. 2 countries had a negative Outlook and 4 countries saw their rating increase, most of which were already investment grade countries.

Finally, if the vast majority of Governments seem to have become aware of the climate emergency, the implementation of transition policies remains slow and contested in certain cases. Indeed, each country will have to make its diagnosis and find solutions to build the necessary and expected change. The energy transition accentuates the gap between advanced and emerging countries but also accentuates cleavages within the world of developed countries.

In this uncertain environment, Crédit Agricole CIB will continue to be actively involved with its local and international clients, supporting them in their commercial development, including abroad, ensuring compliance with the rules in force and adopting an approach very cautious and selective, while strengthening its position in the professions/sectors most invested in CSR and Defence.

◆ Change in exposure to emerging countries

At 31 December 2023, commercial lending (including to bank counterparties)(1) to Crédit Agricole CIB customers in countries with ratings below "B" according to the Group's internal ratings, excluding countries in Western Europe (Italy, Spain, Portugal, Greece, Cyprus and Iceland), totaled €50 billion i.e -11% compared to 31 December 2022.

The dominant geographic areas are Asia (47%), Middle East/North Africa (30%), Latin America (15%) and Central and Eastern Europe (8%).

Asia

Commitments in Asia were down at €23.3 billion from 31 December 2022. China and Hong-Kong remains the largest regional exposure ahead of India.

The Middle East and North Africa

Commitments in countries in the Middle East and North Africa totaled €13.5 billion at 31 December 2023, decreasing compared to end-2022. Saudi Arabia, United Arab Emirates, and Qatar account for 82% of commitments in the Middle East and Northern Africa area.

Central and Eastern Europe

Commitments in central and Eastern Europe were down -27% from the previous year. Crédit Agricole CIB's commitments remain concentrated in two countries: Poland and Russia, account for 82% of the total in this region, despite the strong decrease regarding the Russia exposure.

Latin America

At end-December 2023, exposure to this region represented 15% of all exposure to countries rated lower than B. The increase in commitments recorded was 4% compared to end-2022, mainly due to an increase in commitments to Brazil. Note that Brazil and Mexico account for 92% of the Latin America total.

Sub-Saharan Africa

The Crédit Agricole Group's commitments in Sub-Saharan Africa totaled €1.4 billion at 31 December 2023, i.e. 4% of the total for countries with a rating below B, increasing compared to end-2022, mainly due to the increase in commitments on Angola and Gabon. Crédit Agricole CIB's commitments are mainly concentrated on South Africa (31%) followed by Gabon and Angola. These three countries account for 50% of outstandings in this region.

(1) The exposures are expressed in country-risk which takes into account credit export insurance guarantees, or eligible assimilated organizations as well as CDS and CRI, as well as eligible cash collateral and guarantees received. Scope: Crédit Agricole CIB excluding Wealth Management and the other Crédit Agricole CIB's subsidiaries.

2.5. Financial risks

Financial risks were the subject of a taxonomy established at Crédit Agricole Group level and adapted for Crédit Agricole CIB, which is presented in Chapter 8 of this Universal registration document.

2.5.1 Market risks

Market risks are managed by the Market and Counterparty Risks (MCR) Department. MCR is in charge of identifying, measuring and monitoring market, liquidity and counterparty risks in market transactions as well as the independent valuation of results.

For example, several relevant market risks for Crédit Agricole CIB can be identified, potential losses may be associated with:

- changes in interest rates:
  these risks are assessed in detail: maturity, underlying interest rate indices, currencies;
- changes in share prices:
  Crédit Agricole CIB's equity risk is mainly concentrated in European large corporates (financing, equity investment guarantee, management of Company Savings Plans, convertible issues, loans/borrowings) and EMTNs on equity indices;
- deterioration in credit quality:
  due to its market-making activity on the main debts of OECD countries as well as on client issues, Crédit Agricole CIB is exposed to changes in the risk premiums on the securities in which it trades;
- changes in exchange rates:
  Crédit Agricole CIB's business with its investor or corporate clients exposes it to foreign exchange market fluctuations.
  Its operations in multiple countries also result in structural foreign exchange positions managed by the Asset and Liability Management Committees;
- interest rate, exchange rate and equity volatility:
  Some derivatives see their market value change due to the volatility of the underlying, rather than market volatility. These risks are governed by specific limits.

2.5.1.1 MARKET RISK CONTROL SYSTEM

Scope of authority

MCR's scope of authority covers all trading portfolios of consolidated entities in Crédit Agricole CIB's accounts - subsidiaries or branches - in France and abroad; the main business lines are: G3 Rates, FX & Non G3 Rates, Credit & Non Linear Trading, Global Repo & Indexing.

MCR also monitors the market risks of Treasury and Credit Portfolio Management (CPM), whose dual role is to manage Crédit Agricole CIB's macro counterparty risk and to minimise the cost of capital of the banking books.

Market risks - structure and responsibilities

MCR's structure complies with the regulatory environment and the development of market activities.

The basic principles that prevail in the organisation and operation of MCR are:

- independence of the Risk function from the operational divisions (Front Offices) and other functional departments (Back Offices, Middle Offices, Finance);
- organisation that guarantees both the appropriate and specialised processing of each type of market activity and the consistent deployment of methodologies and practices, regardless of where the activity is conducted or where it is recorded for accounting purposes.

Its various responsibilities are broken down as follows:

- Market Activity Monitoring is responsible for:
  - daily validation of operating results and market and liquidity risk indicators for all activities governed by market risk limits;
  - control and validation of market parameters in an independent environment from the Front Office;
  - finally, as part of its joint responsibility with the Finance Department, it participates in the monthly reconciliation between the operational and the accounting results;
- Risk Management monitors and controls market risks for all product lines, i.e.:
  - setting limits, monitoring limit breaches and their resolution, as well as significant changes in results which are notified to the Market Risk Committee;
  - analysis of risks incurred by product line;
  - second-level validation of risks and monthly reserves;
- the cross-functional teams round out this system by ensuring the harmonisation of methods and accounting treatments between lines/products. They include the following functions:
  - the IPV (Independent Price Valuation) team notably in charge of validating valuation parameters and mapping observability;
  - the MRA (Market Risks Analytics) team responsible for validating pricers;
  - the teams in charge of the Quantitative Internal Model:
    - the Econometrics team in charge of historical series used in risk measurements;
    - the Methodologies team in charge of methodologies for market risk measurements;
    - the Stress Models and CCR (Credit & Counterparty Risks) team in charge of methodology and regulatory subjects related to market activities;
  - the COO team coordinates cross-business topics (projects, new activities, budgets, reports and committees) and produces the department's consolidated information.

Market risk decision-making and monitoring committee

The entire system is placed under the authority of a set of committees:

- The Group Risk Committee (Crédit Agricole S.A.) sets overall limits within the framework of the Group's risk appetite;
- The Strategies & Portfolios Committee (Crédit Agricole CIB) validates the strategic guidelines and acceptable risk management criteria, in line with the Crédit Agricole Group's and the Bank's risk appetite policy. This Committee, chaired by Crédit Agricole CIB's Executive Management, includes, among

others, a member representing the Crédit Agricole Group Risk Department, the Market Activities Risk Managers and Market Activities Front Office representatives;

- The Market Risk Committee (Crédit Agricole CIB) grants limits to the operational divisions within the limits set by the Strategies & Portfolios Committee and ensures compliance with the monitoring indicators, specific management rules and defined limits. This Committee, chaired by Crédit Agricole CIB's Executive Management, includes a member representing the Crédit Agricole Group Risk Department, the Market Activities Risk Managers and Market Activities Front Office representatives;
- The Liquidity Risk Committee (Crédit Agricole CIB) monitors and analyses liquidity risks and their trends. It ensures compliance with monitoring indicators, specific management rules, established limits and the proper application of Crédit Agricole Group standards. It also serves as the Liquidity Emergency Plan Committee in the event of a crisis. Chaired by the Executive Management, this Committee also includes the Head of Group Financial Risk, the Head of Crédit Agricole S.A. Treasury, the heads of GMD, the Head of Crédit Agricole CIB Treasury, the heads of the Finance Department and ALM and the heads of Market Risk Management.

◆ 2023 highlights affecting market risk scope

Upon various regulators requests, the shift to the new risk-free rates (Benchmarks project) aims to strengthen the benchmark indices in order to control the risks of conflict of interest, guarantee the reliability of the methods and data used to calculate benchmarks, avoid manipulation risk and protect consumers. Crédit Agricole CIB was consulted on this project aimed at ceasing publication of Libor USD after 30 June 2023.

Crédit Agricole CIB also continued rolling out its new Market Risk ecosystem (MASAI) across multiple booking activities and implemented a number of functionalities in 2023.

The implementation of this new system includes the following elements: implementation of data management principles, centralisation of valuation methods, industrialisation, audit trail and measures for analysing and monitoring market risk indicators.

Crédit Agricole CIB also continued its remediation efforts in the wake of the ECB audits:

- 2017 (TRIMX) regarding counterparty credit risk (CCR) models (finalised);
- 2020 (TRIMX Horizontal) regarding counterparty risk (continued);
- 2020 (Mission Valuation) centred on valuation risk and prudent valuation (continued);
- 2021 (Market risks/xVA VaR) centred on the inclusion of xVA bases in the Market VaR (new).

In particular, Crédit Agricole CIB continued its work on capital requirements as part of the Fundamental Review of the Trading Book (FRTB) introduced by CRR2 (Capital Requirements Regulation), which is expected to enter into force in early 2025.

2.5.1.2 MARKET RISK MEASUREMENT AND MANAGEMENT METHODOLOGY

◆ Value at Risk (VaR)

VaR is calculated on daily basis across all positions. It represents the potential one-day horizon loss with a confidence interval of 99%. As extreme market conditions are not captured by VaR, it should not be confused with the concept of maximum loss. Stressed VaR and stress scenarios round out the system for measuring extreme risks.

◆ Change in regulatory VaR over 2023

Chart No. 1 (Regulatory VaR over the period 2022-2023) shows the change in Crédit Agricole CIB's VaR in the regulatory scope over the course of 2022-2023.

In 2023, regulatory VaR averaged €16 million (stable compared to the average recorded in 2022), fluctuating within a range of €9 million to €21 million. Regulatory VaR was still predominantly influenced by interest rate and credit activities as well as netting effects.

Over the course of the year, a methodology improvement was implemented following an audit requested by the Bank and carried out in 2021; the ECB authorised Crédit Agricole CIB to expand its VaR/SVaR model to include xVA exposures from 16 March 2023.

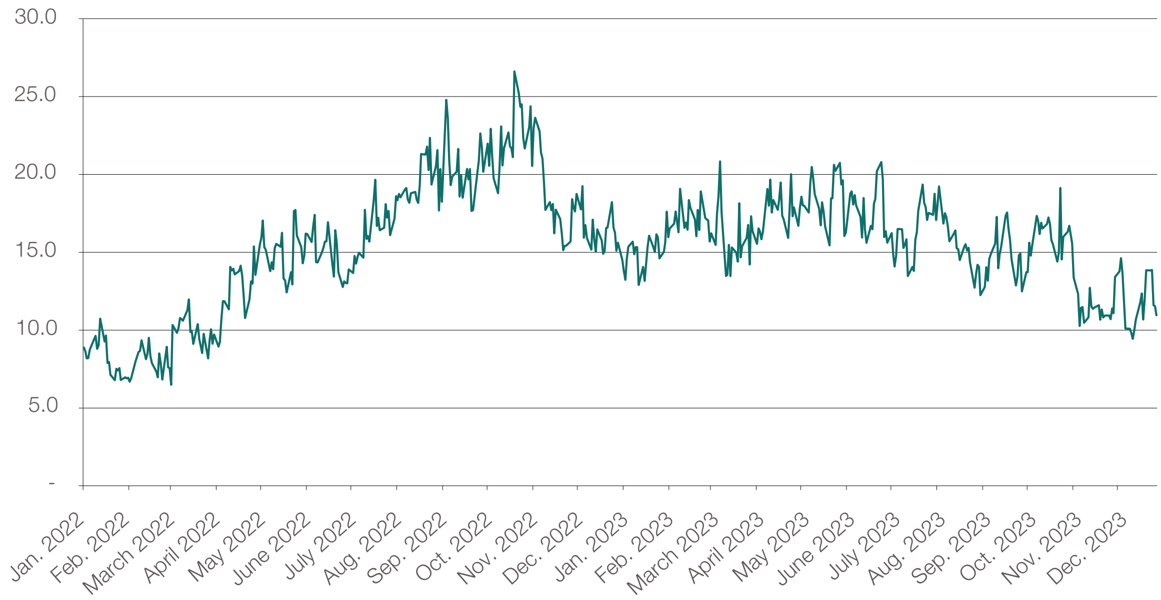
Chart No. 2 (Evolution of quarterly averages over the period 2022-2023) shows the change in the quarterly averages of regulatory VaR and the VaR for each Crédit Agricole CIB's business lines since 1 January 2022.

All of Crédit Agricole CIB's activities are based on the internal model, with the exception of a few isolated products which still use the standardised approach.

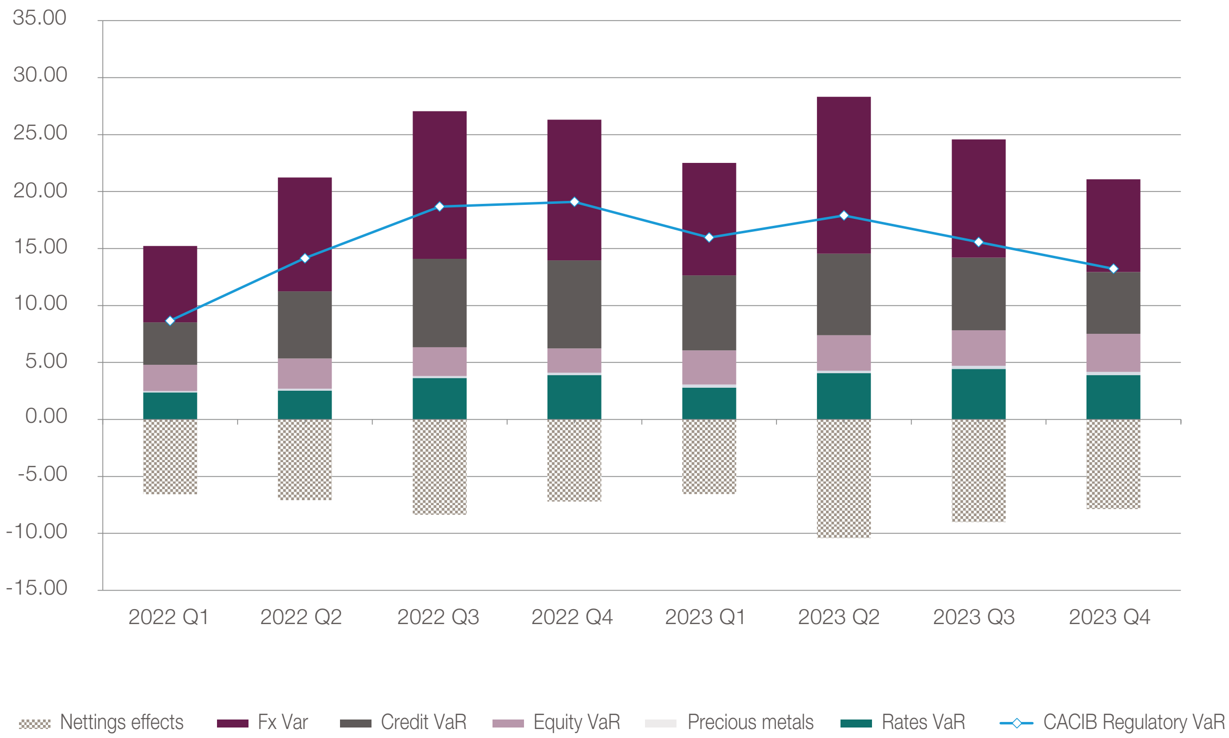
▶ Change in regulatory VaR

	31.12.2023				31.12.2022			
€ million	Minimum	Average	Maximum	End of year	Minimum	Average	Maximum	End of year
Total VaR	9	16	21	11	6	15	27	16
Netting Effect	(2)	(8)	(16)	(8)	(4)	(7)	(11)	(6)
Rates VaR	6	11	18	7	5	11	16	8
Equity VaR	2	3	5	4	1	2	5	2
Fx VaR	2	4	10	3	1	3	5	5
Commodities VaR	0	0	0	0	0	0	1	0
Credit VaR	5	6	9	5	3	6	12	6

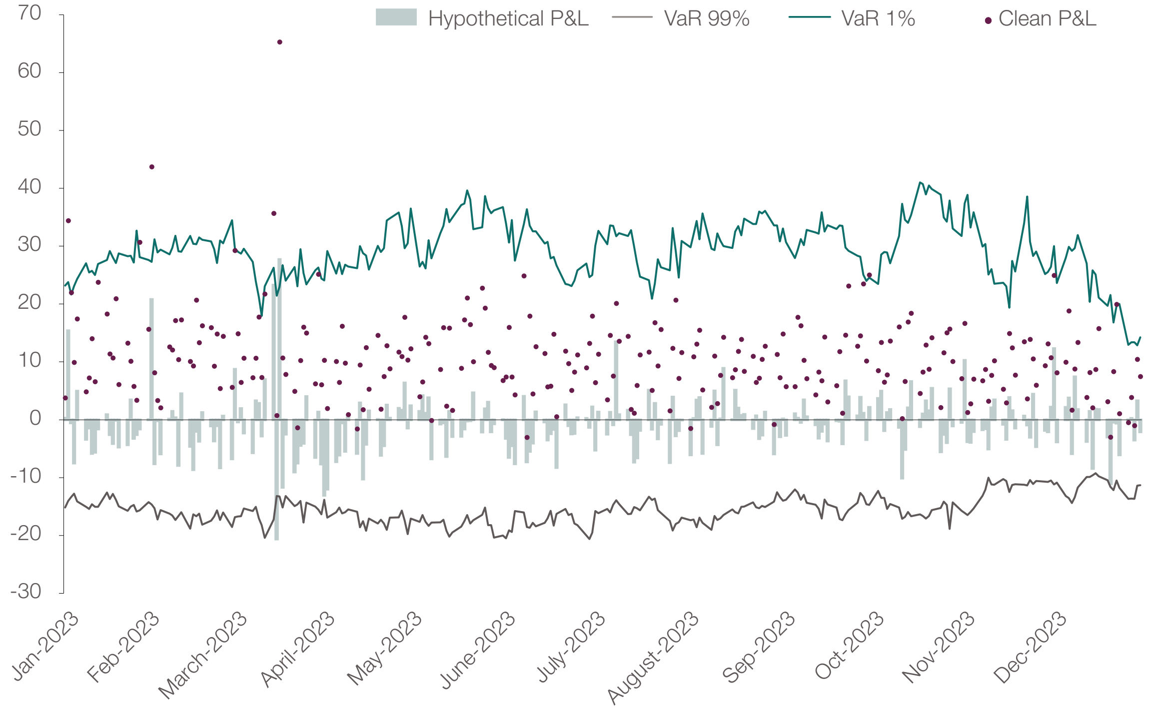
▶ **Chart No. 1: Crédit Agricole CIB's regulatory VaR in 2022-2023 (€ million)**



▶ **Chart No. 2: Quarterly average change in regulatory VaR and VaR by product line over the 2022-2023 period (€ million)**



▶ **Chart No.3: Backtesting of Crédit Agricole CIB's regulatory VaR in 2023 (€ million)**



VaR BACKTESTING (CHART NO. 3)

The VaR backtesting method for Crédit Agricole CIB's regulatory scope compares the daily VaR amounts with the daily P&L excluding uncertainty reserves (Clean P&L) on the one hand and the daily P&L restated for uncertainty reserves and new transactions (or Hypothetical P&L) on the other hand.

At the end of December 2023, there was one backtesting exception, over 12-month rolling period, with a loss on the Hypothetical P&L (restated daily income from uncertainties reserves and new transactions) exceeding VaR. This exception, detected on 14 March 2023, which must be included in determining the amount of capital, is mainly due to volatility observed in March 2023.

◆ VaR capital requirement

At 31 December 2023, the VaR capital requirement amounted to €176 million.

€ million	31.12.2023	Minimum	Maximum	Average	31.12.2022
VaR	176	176	243	211	299

◆ Stressed regulatory VaR statistics

If the historical data used to calculate VaR shocks are derived from sluggish market conditions, i.e. low volatility, then the resulting VaR will be low. To counter this procyclical bias, the regulator introduced stressed VaR.

Stressed VaR is calculated using the "initial" VaR model over a confidence interval of 99% on a one-day horizon and a stress period corresponding to the worst known period for the most significant risk factors.

The period used is November 2007 - November 2008.

◆ Change in stressed regulatory VaR in 2023

Chart No. 4 shows the change in Crédit Agricole CIB's stressed regulatory VaR over the 2022-2023 period.

Stressed VaR averaged €23 million in 2023, i.e. stable compared to 2022 (€24 million), with a narrower range of variations as shown in the table of statistics below. Regulatory SVaR momentum was mainly influenced by the interest rate scope. The SVaR/VaR ratio was 2 at end-December 2023.

The table below compares the statistics on stressed regulatory VaR and regulatory VaR.

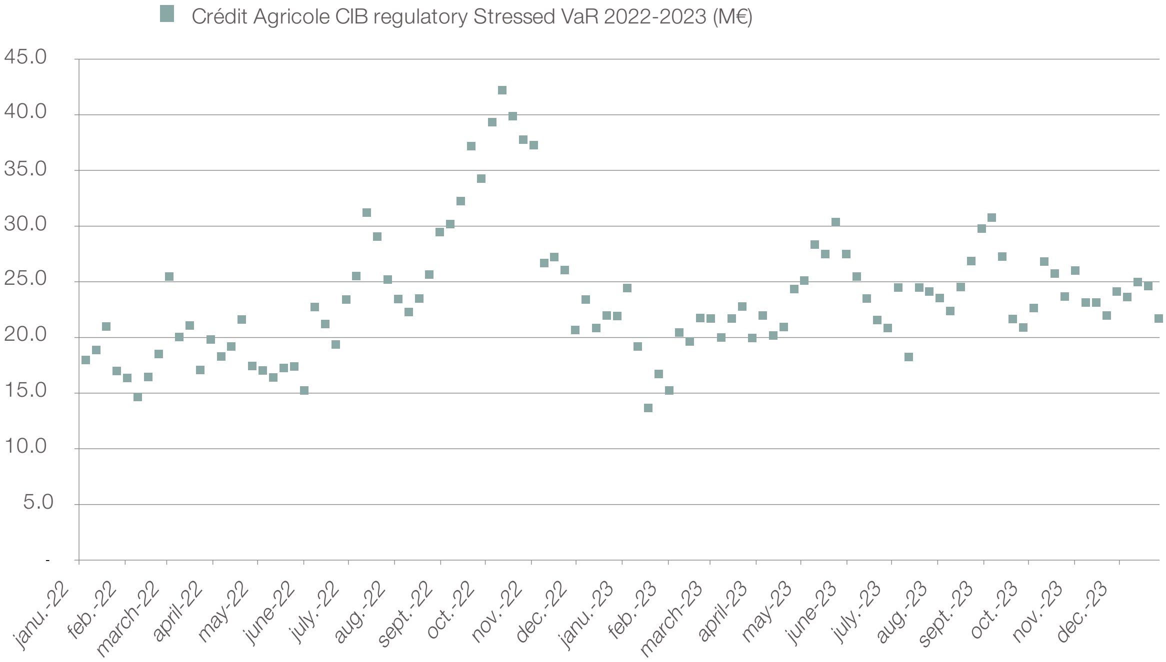
	31.12.2023				31.12.2022			
€ million	Minimum	Average	Maximum	End of year	Minimum	Average	Maximum	End of year
Stressed regulatory VaR	14	23	31	22	15	24	42	22
Regulatory VaR	9	16	21	11	6	15	27	16

Stressed VaR capital requirement

At 31 December 2023, the stressed VaR capital requirement amounted to €324 million.

€ million	31.12.2023	Minimum	Maximum	Average	31.12.2022
Stressed VaR	324	261	331	311	456

Chart No. 4: One-day regulatory stressed VaR for a 99% confidence interval (€ million)



Stress tests

Stress tests were established to assess the resilience of financial institutions due to a shock in their activities. This shock can be economic (economic slowdown, for example), geopolitical (conflict between countries).

In order to meet the regulator's requirements and to supplement VaR measurements, Crédit Agricole CIB applies stress scenarios to its market activities in order to assess the impact of particularly severe disruptions (which cannot be anticipated or modelled in VaR) on the value of its books. These scenarios are based on three complementary approaches:

1. Historical approaches, which consist in replicating the effect of major crises from the past on the current portfolio. The following historical scenarios are used:
   - 1987 crisis: stock market crash scenario;
   - 1998 crisis: credit market crisis scenario, the assumptions of which are the decline in the equity markets, the sharp rise in interest rates and the decline in emerging currencies;
   - October and November 2008 crises (these last 2 stress tests replicate market conditions following the failure of Lehman Brothers);
   - Covid-19 crisis: scenario reflecting the market conditions of March 2020, including in particular a fall in the equity markets and its dividends, widening of credit spreads, a sharp decrease in USD rates, etc.

2. Hypothetical scenarios, which anticipate likely shocks, developed in collaboration with economists. Hypothetical scenarios are:
   - economic recovery (rally on the equity and commodity markets, sharp rise in short-term rates and depreciation of the USD, tightening of credit spreads);
   - tightening of liquidity conditions (sharp rise in short rates, widening of credit spreads, decline in equity markets);
   - a scenario representing economic conditions amid international tensions between China and the United States (increase in volatility and lower share prices on the equity markets, rise in the commodity market, steepening of yield curves, depreciation in the US dollar against other currencies, widening of credit spreads).

3. Two "adverse" approaches (a ten-year scenario and an extreme scenario), which consist in adapting assumptions to simulate the most unfavourable situations according to the structure of the portfolio at the time the scenario is calculated:
   - a "10-year adverse stress" approach, which assesses the impact of large-scale and unfavourable market movements for each activity taken individually. The calibration of shocks is such that the scenario has a probability of occurring approximately every 10 years and the period in which the bank incurs events without reacting is around 10 days. Losses measured by this scenario are subject to limits;
   - an "extreme adverse" approach that measures the impact of market shocks with an intensity and duration greater than the ten-year adverse stress scenario, in order to simulate events that are rarer but still have a probability of occurring. The shocks simulated in extreme adverse stress scenarios are approximately twice as harsh as those in the ten-year

adverse Stress test, their impact on the result of stress can be much more severe for non-linear products with an option component.

These indicators are subject to a limit set in agreement with Crédit Agricole S.A.

Global Stress tests are calculated on a weekly basis and are presented to the Crédit Agricole CIB Market Risk Committee on a monthly basis.

At the same time, specific stress scenarios are developed for each business line. They are produced on a weekly basis. These specific scenarios are used to clarify the analysis of risks specific to the various business lines.

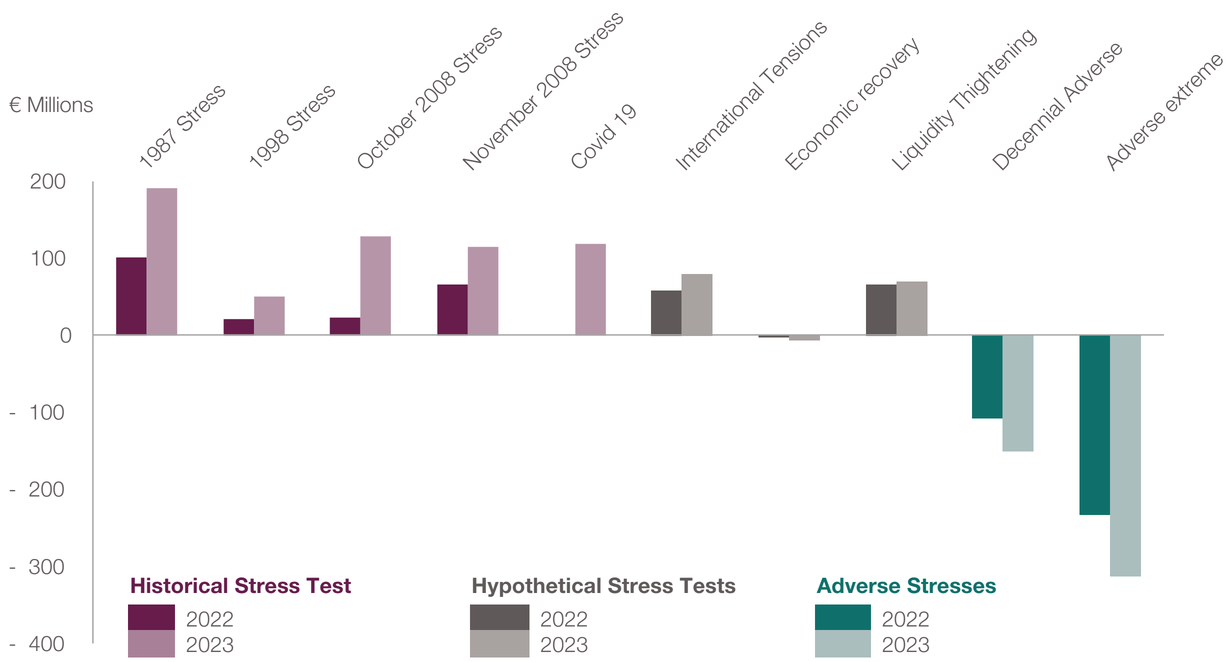
In addition, global stresses taking into account all material risk factors of different asset classes, based on "semi-adverse" approach, are calculated on a daily basis.

Stress tests are regularly defined in anticipation of ad hoc market events: French elections, US elections, etc.

MCR conducted research aimed at strengthening the stress testing system, presented to the Executive Committee at the end of 2020. It will continue to be rolled out in 2024.

Chart No. 5 below shows the comparison of changes in stress scenarios in 2022 and 2023.

Chart No. 5: 2022 and 2023 average values of stress scenarios (€ million)



Between 2022 and 2023, the ten-year and extreme adverse stresses increased on average from €108 million in 2022 to €150 million in 2023 and from €234 million in 2022 to €314 million in 2023€, respectively. These increases were primarily due to contributions from fixed income activities,of which the modelling has been reviewed since January 2023, without impacting the Bank's risk appetite. The stress levels observed in 2023 were generally very far from the established limits.

2.5.1.3 OTHER INDICATORS

VaR measurement is associated with a set of complementary or explanatory indicators, most of which are subject to limits:

- sets of limits defined for precise risk management purposes. Adapted by activity and mandate, they specify the authorised products, maximum maturities, positions and maximum sensitivities; they also include a loss alert system;
- other analytical indicators are used by Risk Management. They include notional indicators in order to highlight atypical transactions;
- under CRD III (effective 31 December 2011), Crédit Agricole CIB implemented specific default risk measures on credit portfolios, including the Incremental Risk Charge.

◆ IRC capital requirements

The IRC or Incremental Risk Charge is an additional capital requirement for "linear" credit positions (i.e. excluding credit correlation positions), required by the regulator under CRD III in response to the subprime crisis.

The IRC aims to quantify unexpected losses caused by credit events on issuers, i.e. default or rating migration (both in the case of a downgrade or upgrade in the credit rating). In other words, the IRC captures 2 risk measurements:

- default risk (or potential losses or gains, following the default of the issuer);
- migration risk, which represents potential losses or gains resulting from a migration of the issuer's credit rating and the associated spread shock.

IRC is calculated with a confidence interval of 99.9% over a one-year risk horizon using Monte Carlo simulations.

Simulated default and credit migration scenarios are then measured using Crédit Agricole CIB pricers. These values give a distribution, based on which a 99.9% quantile calculation is used to obtain the IRC.

At the end of December 2023, the IRC capital requirement amounted to €119 million.

€ million	31.12.2023	Minimum	Maximum	Average	31.12.2022
IRC	119	119	216	176	147

◆ Requirements under the standardised CRD III method

The CRD III standardised method is an additional capital requirement for issuer risk not covered by the IRC and CRM (Comprehensive Risk Measure). The final measure required by the supervisory authorities is the standardised method for securitisation positions in the trading book.

The standardised method capital requirement was €4 million at 31 December 2023.

€ million	31.12.2023	Minimum	Maximum	Average	31.12.2022
Standard CRD 3 method	4	4	4	4	5

◆ Prudent Valuation capital requirements

Under CRD IV, the Basel III Committee requires the implementation of an additional prudent measure (Prudent Valuation) to the accounting market valuation. It applies to all trading book and banking book positions recognised at fair market value with a confidence interval of 90%.

Prudent Valuation is broken down into 9 accounting adjustments: price uncertainty, liquidation costs, model risk, concentrated positions, prepaid credit margins, financing costs, early termination, future administrative costs and operational risk. All the different categories are then aggregated and deducted from Common Equity Tier 1.

The calculation of adjustments based on regulatory requirements gave an impact on own funds at end-December 2023 of €842 million for Crédit Agricole CIB (of which €692 million for market risks).

€ million	31.12.2023	Minimum	Maximum	Average	31.12.2022
Prudent Valuation	842	842	927	899	975
Of which Market Activities	692	686	698	692	757

2.5.2 OTHER FINANCIAL RISKS

2.5.2.1 GLOBAL INTEREST RATE RISK

Global interest rate risk or interest rate risk in the banking book (IRRBB) of a financial institution is the risk of a change in interest rates in any on and off-balance sheet transactions, except transactions subject to market risk.

Objectives and policy

Global interest rate risk management aims to protect commercial margins against fluctuations in rates and to ensure better stability over time in the intrinsic value of equity and long-term financing components.

The intrinsic value and interest margin are associated with sensitivity to changes in interest rates of the net present value and cash flows of on- and off-balance sheet financial instruments. This sensitivity arises when assets and liabilities have non-synchronous interest rate repricing maturities.

Risk management

Each operating entity manages its exposure under the control of its local Asset and Liability Committee, which is responsible for ensuring compliance with Crédit Agricole Group limits and standards.

Within the Finance department, the central Financial and Strategic Steering Department – as part of its coordination and oversight role – and the Counterparty and Market Risks Department, which attend meetings of the Local Committees, ensure the consistency of methods and practices within the Crédit Agricole Group and monitors the limits allocated to each of its entities.

The Crédit Agricole CIB group's global interest rate risk exposure is presented to Crédit Agricole CIB's Asset-Liability Management Committee. This Committee:

- examines the consolidated positions determined at the end of each quarter;
- ensures that Crédit Agricole CIB complies with its limits;
- decides on management measures based on proposals made by the Financial and Strategic Steering Department.

Method

Static measurements are mainly based on the calculation of interest rate gaps. This methodology consists in scheduling (based on a run-off, "static" view) outstandings at known rates and inflation-indexed outstandings according to their contractual characteristics (maturity date, amortisation profile) or modelling the run-off of outstandings when:

- the maturity profile is not known (products with no contractual maturity such as demand deposits or equity) ;
- behavioural options sold to customers are incorporated (early repayments on loans, etc.).

The risks arising from automatic options (cap and floor options) are included in the gaps, in the amount of their equivalent sensitivity.

Sensitivity of the net present value of the Bank's economic value summarises the impact that an interest rate shock would have on the amount of the interest rate gaps defined above. This sensitivity is calculated on the interest rate, as well as on inflation and basis risk (variable shocks depending on the benchmark index).

They are each subject to a framework, which takes the form of a limit that may not exceed a percentage of total prudential capital. This measurement is carried out monthly.

In addition, an income approach supplements this balance sheet view with simulations of net interest margins projected over three years, incorporating new production assumptions ("dynamic" approach). This methodology corresponds to that of the Stress tests conducted by the EBA, i.e. a constant balance sheet view with identical renewal of maturing transactions. These indicators are not subject to a framework but contribute to the assessment of the internal capital requirement in respect of interest rate risk. This measurement is performed quarterly.

This measurement system is adapted for the relevant major currencies.

Exposure [1]

Crédit Agricole CIB's exposure to global interest rate risk on client transactions is limited given the interest rate micro-matching rule for each client financing solution with the Treasury Department.

The interest rate risk mainly derives from capital, investments, modelling of non-interest-bearing liabilities and from maturities of less than one year from the Treasury activities of the banking book.

The Crédit Agricole CIB group is mainly exposed to Eurozone and, to a lesser extent US Dollar, interest rate variations.

Crédit Agricole CIB manages its exposure to interest rate risk using gap exposure limits and based on the Net Present Value (NPV) of all currencies defined by Crédit Agricole S.A.

Internal capital requirement assessment

The measurements used for the ICAAP are based on a set of six internal scenarios incorporating yield curve distortions calibrated using a Principal Component Analysis (PCA) method and a calibration consistent with that used for the assessment of the other risks measured under Pillar 2 (a 99.9% confidence interval and a 10-year historical observation period).

2.5.2.2 FOREIGN EXCHANGE RISK

Foreign exchange risk is the financial risk associated with an unfavourable change in exchange rates on the foreign exchange market. It is primarily assessed by measuring net residual exposure, taking into account gross foreign exchange positions and hedging and differentially between structural and operational foreign exchange risk.

Structural foreign exchange risks

The Crédit Agricole CIB group's structural foreign exchange risk results from its long-term investments in assets denominated in foreign currencies, mainly the equity of its foreign operating entities, whether they result from acquisitions, transfers of funds from Head Office or the capitalisation of local earnings.

The Crédit Agricole CIB group's policy is to borrow the currency in which the investment is made in order to protect the investment against foreign exchange risk. These borrowings are documented as investment hedging instruments. In some cases and particularly for less liquid currencies, the investment leads to the relevant

(1) For December 2023, new risk indicators have been retained and are presented in the « Risk factors » section. Compliant with the European prudential framework currently in force, they replace the internal indicators previously disclosed. These new indicators are intended to better illustrate Crédit Agricole Banking Book interest rate risk profile.

currency being purchased with the foreign exchange risk being hedged depending on the portfolio management policy adopted.

The Crédit Agricole CIB group's main gross structural foreign exchange positions are denominated in US dollars, in US dollar linked-currencies (mainly Middle Eastern and some Asian currencies), in sterling and in Swiss francs.

In overall terms, the Crédit Agricole CIB group's policy for managing structural foreign exchange positions aims to achieve two main goals:

- prudential by way of exception to protect the Crédit Agricole CIB group's solvency ratio against currency fluctuations; for this purpose, unhedged structural currency positions are scaled so as to equal the proportion of risk weighted assets denominated in the currencies in question and unhedged by other types of equity in the same currency; at 31 December 2023, the immunisation ratio of the CET1 solvency ratio for the US dollar and related currencies block was 79%;
- proprietary interests, to reduce the risk of loss of value for the assets under consideration.

Structural foreign exchange risk hedging is centrally managed and implemented on the recommendations of the Structural Exchange Rate Committee of Finance, Procurement & Execution Management Department and decisions of the Bank's Asset-Liability Management Committee.

Crédit Agricole CIB's structural currency positions are also included with those of Crédit Agricole Group, which are presented four times a year to its Asset-Liability Management Committee, chaired by Crédit Agricole S.A.'s Chief Executive Officer. They are also presented once a year to the Group Risk Committee.

◆ Operational foreign exchange risks

The Bank is further exposed to operational exchange rate positions on its foreign currency income and expenses, both at the Head Office and in its foreign operations.

The Crédit Agricole Group's general policy is to limit net operational exchange rate positions as far as possible by periodically hedging them, without prior hedging of earnings not yet generated except if they have a high probability and a high risk of impairment.

The Group Risk Committee sets a limit aimed at authorising frictional foreign exchange positions that may arise between the date on which the profit to be hedged is recorded for accounting purposes and the date on which it is hedged against a foreign currency, once known. At 31 December 2023, Crédit Agricole CIB's operational foreign exchange position was €32m.

The rules and authorisations applicable to the management of operational positions fall within the scope of the annual meeting of the Group Risks Committee (limits) or the quarterly meetings of Crédit Agricole CIB's Asset-Liability Committee.

2.5.2.3 LIQUIDITY RISK

Like all credit institutions, the Crédit Agricole CIB group is exposed to the risk that it will not have sufficient funds to honour its commitments. This risk is realised in the event, for example, of a massive withdrawal of deposits by customers or investors, or during a crisis of confidence or general market liquidity (access to interbank, money market and bond markets).

◆ Objectives and policy

Crédit Agricole CIB's primary objective in managing liquidity is to always be able to cope with any prolonged, high-intensity liquidity crises.

The Crédit Agricole CIB group is an integral part of the Crédit Agricole Group's liquidity risk management scope and relies on a system for managing and measuring its liquidity risk based on:

- upkeep of liquidity reserves;
- organisation of refinancing (short-term refinancing limits, distribution over time of the long-term refinancing maturities, diversification of refinancing sources);
- balanced development of balance sheet assets and liabilities.

A set of limits, indicators and procedures has been established to ensure that this system works correctly. This internal approach incorporates compliance with all local regulations on liquidity.

◆ Risk management

At Crédit Agricole CIB, responsibility for liquidity risk management is shared by a number of departments:

- the Financial and Strategic Steering Department manages liquidity risk (framing liquidity needs, anticipating regulatory changes, formalising the financing plan,...);
- the Execution Management Department carries out market transactions in accordance with the instructions of the Financial and Strategic Steering Department and the financing plan approved by the Scarce Resources Committee;
- the Risk Department is responsible for validating the system and monitoring compliance with rules and limits.

GOVERNANCE

The Crédit Agricole CIB group's Scarce Resources Committee defines and monitors the asset and liability management policy. Together with the Executive Management Committee, it constitutes the executive governance body and defines all operational limits applicable to Crédit Agricole CIB. It is a decision-making body, particularly in relation to the monitoring of medium/long-term fund-raising and the control of short/long-term limits.

The Liquidity Risk Committee oversees the implementation of Crédit Agricole Group standards for monitoring liquidity risk at operational level. It defines limits for liquidity risk indicators specific to Crédit Agricole CIB, monitors breaches of limits and alert thresholds and, where applicable, approves breach management proposals. It also serves as the Liquidity Emergency Plan Committee in the event of a crisis. Internal methods are validated by a technical committee.

OPERATIONAL STEERING

The Financial and Strategic Steering Department manages scarce liquidity resources within a framework subject to regulations, Crédit Agricole Group standards and the established budget trajectory. Liquidity risk management is part of the risk appetite level approved by Crédit Agricole CIB's Board of Directors. This department is responsible for managing and monitoring liquidity risk, anticipating regulatory changes and, where applicable, related hedging requirements, planning issuance programmes and invoicing liquidity to the business lines that use it.

The Execution Management Department is responsible for the operational management of liquidity refinancing.

The Treasury Department is responsible for overall day-to-day management of the Crédit Agricole CIB group's short-term refinancing activities, for coordinating issue spreads and managing the Treasury Department's liquid asset portfolio. Within each Treasury centre, the local Treasurer is responsible for managing funding activities within allocated limits. They report to Crédit Agricole CIB's Treasurer and the local Asset-Liability Management

Committee. They are also responsible for complying with local regulatory constraints applicable to short-term liquidity.

Operational management of medium- and long-term funding is delegated to ALM Execution, in charge of monitoring the long-term liquidity raised by the Bank's market desks and issuance programmes and for checking the consistency of issue prices.

◆ Refinancing conditions

In addition to conventional sources of short-term liquidity (sight and term deposits for Corporate and Private Banking clients), Crédit Agricole CIB implements an active policy of diversifying its sources of financing, by maintaining diversified access to these markets via multiple-format issuance programmes (Commercial Paper/Certificate of Deposit) and aimed at various geographic areas (New York, London, Tokyo, Australia, Hong Kong,...).

Crédit Agricole CIB's long-term liquidity resources are mainly derived from interbank borrowing and debt issues that take various forms.

Crédit Agricole CIB makes use of its Euro Medium Term Notes (EMTN) programmes: at 31 December 2023, the amounts issued under long-term EMTN programmes totalled around €41.7 billion.

Barring exceptions, issues under these programmes for the purposes of Crédit Agricole CIB's international and domestic clients are referred to as "structured", meaning that the coupon paid and/or the amount redeemed at maturity includes a component indexed to one or more market indices (equity, interest rates, foreign exchange or commodities). Similarly, certain issues are referred to as credit-linked notes, meaning that repayment is reduced in the event of default by a third party contractually defined at the time of issue.

Crédit Agricole CIB also still holds covered bonds issued by Crédit Agricole S.A. and backed by Crédit Agricole CIB's export credit loans.

MAINTAINING A WELL-BALANCED BALANCE SHEET

Crédit Agricole CIB has a solid balance sheet structure, with surplus stable funding over long-term assets of +€79.8 billion at 31 December 2023.

◆ System

Crédit Agricole CIB's liquidity management and control system is structured around several risk indicators, the definition and control of which are covered by standards approved by the governance bodies of Crédit Agricole CIB and Crédit Agricole Group:

- short-term indicators comprising mainly stress scenarios simulations (all currencies and major currencies) the aim of which is to regulate liquidity risk based on the tolerance levels defined by the Crédit Agricole Group. Short-term debt allows the maximum net amount of short-term market financing to be controlled. This system is supplemented by measurement of static gaps and oversight of diversification indicators;
- medium to long-term (MLT) indicators used to manage the shift to a one-year maturity for all currencies as well as the major currencies; the concentration of MLT refinancing maturities, the purpose of which is to allow for renewal at maturity without undue market solicitation;
- balance sheet structure indicators including :
  - the Stable Resources Position defined as the surplus of stable sources over long-term assets, which is used to protect business lines against reliance on money market refinancing
  - the Credit Collection Deficit defined as the surplus of customer resources over customer assets, which measures the businesses' ability to finance themselves, without relying on the market.

The system incorporates the following regulatory indicators:

- the purpose of the LCR (Liquidity Coverage Ratio) is to ensure that banks have sufficient reserves of high-quality liquid assets (HQLAs) to cover net cash outflows in the event of a 30-day liquidity crisis. It is governed by Commission Delegated Regulation (EU) 2018/1620 of 13 July 2018, amending Delegated Regulation (EU) 2015/61 supplementing Regulation (EU) No. 575/2013 of the European Parliament and of the Council. This ratio must be at least 100%. It averaged 116.9% in 2023;
- additional liquidity analysis reports named ALMMs (Additional Liquidity Monitoring Metric) attached to the LCR;
- the NSFR (Net Stable Funding Ratio) is a balance sheet structure ratio that measures the balance between the stability of funding sources and stable funding requirements. The definition of the NSFR assigns a weighting to each balance sheet item that reflects its potential to have a maturity of more than one year. The final text of the NSFR, which was included in the CRR2 banking package, was adopted by the European Parliament on 14 May 2019. The NSFR came into force on 28 June 2021. Crédit Agricole CIB complies with the NSFR requirement, with a ratio of 113.1% at 31 December 2023.

Liquidity risk associated with securitisation activities is monitored by the responsible business lines and also centrally by the Market Risk Department and the Asset-Liability Management (ALM) Departments. The impact of these activities is incorporated in the Internal Liquidity Model indicators, including stress scenarios, liquidity ratios and liquidity gaps.

2.5.2.4 GLOBAL INTEREST RATE AND FOREIGN EXCHANGE RISK HEDGING

In managing its financial risks, Crédit Agricole CIB uses instruments (interest rate swaps and forex transactions) for which a hedging relationship is established based on the management intention pursued.

Note 3.5 to the consolidated financial statements (see Chapter 6 of the present Universal Registration Document) presents the market values and notional amounts of hedging derivatives.

◆ Fair value hedges

The aim is to protect the intrinsic value of fixed-rate financial assets and liabilities that are sensitive to changes in interest rates, by hedging them with instruments that are also at fixed rates. Where the hedge uses derivatives (swaps), the derivatives are described as fair value hedge derivatives.

Hedges carried out by Asset-Liability Management cover outstanding non-interest-bearing Wealth Management customer deposits, which are analysed as fixed-rate financial liabilities.

◆ Cash flow hedges

The second objective is to protect net interest margin so that interest flows generated on variable-rate assets financed by fixed-rate liabilities (in particular, working capital) are not affected by the future setting of interest rates over these items.

When the required neutralisation is carried out using derivatives (swaps), they are classified as cash flow hedges.

Under IFRS 7, the amounts of future interest payments attached to balance sheet items subject to cash flow hedges are presented below, by maturity.

	31.12.2023			
€ million	< 1 year	1 to 5 years	≥ 5 years	TOTAL
Cash flow hedged (payable)	7	0	0	7
Cash flow hedged (receivable)	563	1,130	366	2,058

IFRS DOCUMENTATION OF FAIR VALUE AND CASH FLOW HEDGES

The hedging relationships in relation to macro-hedges managed by the Asset and Liability Management Department are documented from the outset and verified quarterly by carrying out forward-looking and back-looking tests.

To that end, hedged items are classified by maturity using the characteristics of contracts or, for items without contractual maturities (such as demand deposits), run-off models based on each product's behaviour. The comparison between this maturity schedule and that of the derivative instrument allows the effectiveness of the hedging relationship to be assessed.

- Hedges of a net investment in a foreign currency

The instruments used to manage structural foreign exchange risk are classified as net investment hedges. The effectiveness of these hedges is documented quarterly.

2.6. Operational risks

Operational risk is the risk of loss resulting from shortcomings in internal procedures or information systems, human error or external events that are not linked to a credit, market or liquidity risk.

Operational risks were the subject of a taxonomy established at Crédit Agricole Group level and adapted for Crédit Agricole CIB, which is presented in Chapter 8 of the present Universal registration document.

2.6.1 Management of operational risks

The Risk and Permanent Control/Operational Risk Management Department is responsible for supervising the system, which is overseen by Executive Management through the operational risk section of Crédit Agricole CIB's Internal Control Committee.

GOVERNANCE

Operational risk management specifically relies on a network of ORMs (Operational Risk Managers) that cover all Crédit Agricole Group subsidiaries and business lines.

Monitoring of the system is carried out within the framework of the Internal Control Committees under the responsibility of each Departments/Cross-functions at Head Office and of each entity in the network and to which the control functions at Head Office are invited.

IDENTIFICATION AND QUALITATIVE ASSESSMENT OF RISKS

In accordance with principles in force within the Crédit Agricole Group, Crédit Agricole CIB's Risk and Permanent Control Department has implemented a qualitative and quantitative system designed to identify, assess, prevent and monitor operational risk, as required by the Basel II reforms.

The Risk and Control Self-Assessment process applies to all Group entities. These risk maps allow to supervise the most sensitive processes and to draw up control plans. They are updated annually.

COLLECTION OF OPERATING LOSSES AND REPORTING OF SIGNIFICANT INCIDENTS

A unified procedure for loss collection and for reporting significant incidents has been introduced for the entire scope. The data required by the internal model used to calculate the allocation of economic capital (in accordance with the advanced Basel II method) are consolidated into a single database that provides historical data for a rolling six-year period.

At 31 December 2023, one significant operational risk incident exceeded the tolerance threshold set by the Board of Directors (losses recognised, including past events).

CALCULATION AND ALLOCATION OF ECONOMIC CAPITAL

Capital requirements are calculated annually at Crédit Agricole CIB level based on historical losses and supplemented by risk scenarios.

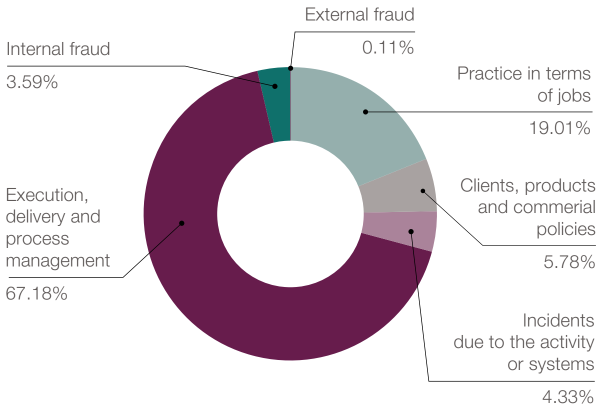
The capital requirement is calculated by applying the Crédit Agricole Group's AMA (Advanced Measurement Approach) model for the Crédit Agricole CIB scope, a model that was validated at the end of 2007 by the French Prudential Supervisory and Resolution Authority.

PRODUCTION OF DASHBOARDS

RPC/MRO Division produces a quarterly operational risk dashboard that highlights significant events and changes in the cost of these risks. These dashboards contain the main sources of risk (litigation with clients, management of processes relating to market transactions) used to determine preventive or corrective action plans.

EXPOSURES

The chart below provides a breakdown of operating losses by type at their date of detection for the 2021-2023 period.



INSURANCE AND RISK COVERAGE

Crédit Agricole CIB has broad insurance coverage for its insurable operating risks in accordance with guidelines set by its parent company, Crédit Agricole S.A., with the aim of protecting its balance sheet and income statement.

Crédit Agricole CIB is covered by all the Group policies taken out by Crédit Agricole S.A. with major insurers against high-level risks: cyber risk, fraud, all risks to values (or theft), operating losses, professional indemnity, operating liability, third-party liabilities of directors and corporate officers and property damage (buildings, IT, third-party claims for buildings most exposed to this risk).

Like all Crédit Agricole Group business line subsidiaries, Crédit Agricole CIB manages smaller risks itself. High-frequency and low intensity risks that cannot be insured on satisfactory financial terms are retained in the form of deductibles or are insured on a pooled basis within the Crédit Agricole Group by one of the Crédit Agricole Group's insurance companies.

This general framework may vary according to local regulations and the specific requirements of countries in which the Crédit Agricole CIB group operates. This system may be supplemented by local insurance, if necessary

2.7. Development in legal risks

The main legal and tax proceedings outstanding at Crédit Agricole Corporate & Investment Bank (Crédit Agricole CIB) and its fully consolidated subsidiaries are described in below.

The main legal and tax proceedings outstanding at Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) and its fully consolidated subsidiaries are also described in the chapter 6 of this Universal registration document entitled "Consolidated financial statements at 31 December 2023".

The main ongoing legal and tax proceedings at 31 December 2023 liable to have a negative impact on the Group's assets have been covered by provisions equal to the best estimate by the Executive Management based on available information. They are referred to in Note 6.14 to the consolidated financial statements (see Chapter 6 of the present Universal Registration Document).

To date, to the best of Crédit Agricole CIB's knowledge, there are no other governmental, judicial or arbitration proceedings (including any proceedings of which the Company is aware that are pending or threatened), that may have or have had a significant effect on the financial position or profitability of the Company and/or the Group in the previous 12 months.

INVESTIGATIONS, INFORMATION REQUESTS AND LITIGATION PROCEEDINGS

In the normal course of business, Crédit Agricole CIB is regularly subject to litigation proceedings, as well as requests for information, investigations, controls and other regulatory or judicial procedures from various institutions in France and abroad. The provisions recognized reflect the management's best judgement, considering the information in its possession at the closing date of the accounts.

◆ Office of Foreign Assets Control (OFAC)

In October 2015, Crédit Agricole S.A. and its subsidiary Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) reached agreements with the US and New York authorities that had been conducting investigations regarding US dollar transactions with countries subject to US economic sanctions. The events covered by this agreement took place between 2003 and 2008.

Crédit Agricole CIB and Crédit Agricole S.A., which cooperated with the US and New York authorities in connection with their investigations, have agreed to pay a total penalty amount of US$787.3 million (i.e. €692.7 million). The payment of this penalty has been allocated to the pre-existing reserve that had already been taken and, therefore, has not affected the accounts for the second half of 2015.

The agreements with the Board of Governors of the US Federal Reserve System (Fed) and the New-York State Department of Financial Services (NYDFS) are with Crédit Agricole S.A. and Crédit Agricole CIB. The agreement with the Office of Foreign Assets Control (OFAC) of the US Department of the Treasury is with Crédit Agricole CIB. Crédit Agricole CIB also entered into separate deferred prosecution agreements (DPAs) with the United States Attorney's Office for the District of Columbia (USAO) and the District Attorney of the County of New York (DANY), the terms of which are three years. On October 19, 2018 the two deferred prosecution agreements with USAO and DANY ended at the end of the three year period, Crédit Agricole CIB having complied with all its obligations under the DPAs.

Crédit Agricole continues to strengthen its internal procedures and its compliance programs regarding laws on international sanctions and will continue to cooperate fully with the US and New York authorities with its home regulators, the European Central Bank and the French Regulatory and Resolution Supervisory Authority (ACPR), and with the other regulators across its worldwide network.

Pursuant to the agreements with NYDFS and the US Federal Reserve, Crédit Agricole's compliance programme is subject to regular reviews to evaluate its effectiveness, including a review by an independent consultant appointed by NYDFS for a term of one year and annual reviews by an independent consultant approved by the Federal Reserve.

◆ Euribor/Libor and other indexes

Crédit Agricole S.A. and its subsidiary Crédit Agricole CIB, in their capacity as contributors to a number of interbank rates, have received requests for information from a number of authorities as part of investigations into: (i) the calculation of the Libor (London Interbank Offered Rates) in a number of currencies, the Euribor (Euro Interbank Offered Rate) and certain other market indices; and (ii) transactions connected with these rates and indices. These demands covered several periods from 2005 to 2012.

As part of its cooperation with the authorities, Crédit Agricole S.A. and its subsidiary Crédit Agricole CIB carried out investigations in order to gather the information requested by the various authorities and in particular the American authorities – the DOJ (Department of Justice) and CFTC (Commodity Future Trading Commission) – with which they are in discussions. It is currently not possible to know the outcome of these discussions, nor the date when they will be concluded.

Furthermore, Crédit Agricole CIB is currently under investigation opened by the Attorney General of the State of Florida on both the Libor and the Euribor.

Following its investigation and an unsuccessful settlement procedure, on 21 May 2014, the European Commission sent a statement of objection to Crédit Agricole S.A. and to Crédit Agricole CIB pertaining to agreements or concerted practices for the purpose and/or effect of preventing, restricting or distorting competition in derivatives related to the Euribor.

In a decision dated 7 December 2016, the European Commission jointly fined Crédit Agricole S.A. and Crédit Agricole CIB €114,654,000 for participating in a cartel in euro interest rate derivatives. Crédit Agricole S.A. and Crédit Agricole CIB are challenging this decision and have asked the European Court of Justice to overturn it. On December 20, 2023, the Court handed down its decision, reducing the fine to €110,000,000 and dismissing certain conduct attributed to Crédit Agricole S.A. and Crédit Agricole CIB. Crédit Agricole S.A. and Crédit Agricole CIB are considering whether to appeal against this decision.

The Swiss competition authority, COMCO, has conducted an investigation into the market for interest rate derivatives, including the Euribor, with regard to Crédit Agricole S.A. and several Swiss and international banks. This investigation was closed following a settlement procedure under which Crédit Agricole S.A agreed to pay a penalty of CHF 4,465,701 and proceedings costs amounting to CHF 187,012 without any admission of guilt.

Moreover, in June 2016 the Korean Fair Trade Commission (KFTC) decided to close the investigation launched in September 2015 into Crédit Agricole CIB and the Libor index on various currencies, Euribor and Tibor indices. The investigation into certain foreign exchange derivatives (ABS-NDF) has been closed by the KFTC according to a decision notified to Crédit Agricole CIB on 20 December 2018.

Concerning the two class actions in the United States of America in which Crédit Agricole S.A. and Crédit Agricole CIB have been named since 2012 and 2013 along with other financial institutions, both as defendants in one ("Sullivan" for the Euribor) and only Crédit Agricole S.A. as defendant for the other ("Lieberman" for Libor), the "Lieberman" class action is now closed, as the plaintiffs decided to voluntarily dismiss from the proceedings. Concerning the"Sullivan" class action, Crédit Agricole S.A. and Crédit Agricole CIB had introduced a motion to dismiss the plaintiffs' claim, which was, in fist instance, granted by the US District Court of New York State. On 14 June 2019, the plaintiffs had appealed this decision. While awaiting the decision on this appeal, the U.S. Second District Court of Appeal handed down on 31 December 2021, in a separate case (known as GELBOIM), a decision modifying its jurisprudence on the personal jurisdiction of US courts over foreign defendants. In order to avoid possible negative consequences of this reversal of jurisprudence on the ongoing appeal, Crédit Agricole S.A. and Crédit Agricole CIB had negotiated with the plaintiffs a settlement to permanently end the proceedings providing for the payment to the plaintiffs of 55 million US dollars, which was made in 2022. This settlement, which does not involve any admission of guilt from Crédit Agricole S.A. and Crédit Agricole CIB, was homologated by the New-York court on November 15, 2022, a decision that was not appealed. According to the usual cooperation provisions of such an agreement, a request for confirmatory discovery could possibly be submitted to Crédit Agricole S.A. and Crédit Agricole CIB by the plaintiffs in 2024 in the event that this would be necessary in the context of their discussions to reach an agreement with other parties that have not settled yet.

Since 1 July 2016, Crédit Agricole S.A. and Crédit Agricole CIB, together with other banks, are also party to a new class action suit in the United States ("Frontpoint") relating to the SIBOR (Singapore Interbank Offered Rate) and SOR (Singapore Swap Offer Rate) indices. After having granted a first motion to dismiss filed by Crédit Agricole S.A. and Crédit Agricole CIB, the New York Federal District Court, ruling on a new request by the plaintiffs, excluded Crédit Agricole S.A. from the Frontpoint case on the grounds that it had not contributed to the relevant indexes. The Court considered, however, taking into account recent developments in case law, that its jurisdiction could apply to Crédit Agricole CIB, as well as to all the banks that are members of the SIBOR index panel. The allegations contained in the complaint regarding the SIBOR/USD index and the SOR index were also rejected by the court, therefore the index SIBOR/Singapore dollar alone is still taken into account. On 26 December 2018, the plaintiffs filed a new complaint aimed at reintroducing into the scope of the Frontpoint case the alleged manipulations of the SIBOR and SOR indexes that affected the transactions in US dollars. Crédit Agricole CIB, alongside the other defendants, objected to this new complaint at the hearing held on 2 May 2019 before the New York Federal District Court. On July 26, 2019, the Federal Court granted the defendants' motion to dismiss. The plaintiffs filed a notice of appeal on August 26, 2019.

On March 17, 2021, a three-judge panel of the Court of Appeal of the 2nd Circuit reversed the dismissal, consequently considering the new complaint admissible and returned the case to the New York Federal District Court. The defendants, including Crédit Agricole CIB, requested the Second Circuit Court, sitting in plenary session, to reconsider this decision (all the active judges of the Court). This motion was denied by the Second Circuit Court on May 6, 2021. Another motion was filed on May 12, 2021 by the defendants seeking a stay of this decision remanding the case to the District Court, with a view to obtaining the suspension of this return of the case before the first instance court which was rejected on May 24, 2021. On October 1, 2021, the defendants filed an appeal with the US Supreme Court, which decided on January 10, 2022 not to consider the case.

A new petition, currently under review, has been filed by the defendants before the District Court in an attempt to stop this action.

On 27 May 2022, all 13 defendants signed into a transactional agreement the plaintiffs to definitely dismiss this action. This agreement provides for payment of a fixed sum to the plaintiffs, with distribution plan for each plaintiff. As a result, Crédit Agricole CIB will pay US$7.3 million (8.03% of the total amount). This agreement which includes no acknowledgement of culpability on the part of Crédit Agricole CIB, was homologated by the New York court on November 29, 2022, a decision that was not appealed.

Bonds SSA

Several regulators requested information to Crédit Agricole S.A. and to Crédit Agricole CIB for investigations relating to activities of different banks involved in the secondary trading of Bonds SSA (Supranational, Sub-Sovereign and Agencies) denominated in American dollars. Through the cooperation with these regulators, Crédit Agricole CIB proceeded to internal inquiries to gather the required information available. On 20 December 2018, the European Commission issued a Statement of Objections to a number of banks including Crédit Agricole S.A. and Crédit Agricole CIB within its inquiry on a possible infringement of rules of European Competition law in the secondary trading of Bonds SSA denominated in American dollars. Crédit Agricole S.A. and Crédit Agricole CIB became aware of these objections and issued a response on 29 March 2019, followed by an oral hearing on 10-11 July 2019.

In a decision dated 28 April 2021, the European Commission jointly fined Crédit Agricole S.A. and Crédit Agricole CIB €3,993,000 for participating in a cartel on the secondary trading market of Bonds SSA denominated in US dollars. On 7 July 2021, Crédit Agricole S.A. and Crédit Agricole CIB appealed against this decision to the European General Court of the European Union. The appeal hearing took place on 16 June 2023 and judgment is pending.

Crédit Agricole CIB was included with other banks in a putative consolidated class action before the United States District Court for the Southern District of New York. That action was dismissed on 29 August 2018 on the basis that the plaintiffs failed to allege an injury sufficient to give them standing. However, the plaintiffs were given an opportunity to attempt to remedy that defect**.** The plaintiffs filed an amended complaint on 7 November 2018. Crédit Agricole CIB as well as the other defendants filed motions to dismiss the amended complaint. An order issued on 30 September 2019 dismissed the class action against Crédit Agricole CIB for lack of jurisdiction and, in a subsequent ruling, the Court held that the plaintiffs had in any event failed to state a claim for violation of US antitrust law. In June 2020, the plaintiffs took an appeal from both of the Court's orders. On 19 July 2021, the Second Circuit Court of Appeal affirmed the district court's holding that plaintiffs had failed to state a claim for violation of US antitrust law. Plaintiffs' deadline to seek further review of the district court's decision from the US Supreme Court passed on 2 December 2021 without plaintiffs seeking review by that Court. Plaintiffs subsequently sought leave to file a motion to vacate the trial court's judgment, on the basis that the trial court judge had not disclosed a conflict of interest at the outset of the action. The action was reassigned to a new judge for purposes of considering that request, and that new judge ordered the parties to brief the issue for her review. On 3 October 2022, that judge, District Judge Valerie Caproni, issued an opinion and order denying the plaintiffs' motion to vacate the judgment and instructing the Clerk of Court to close the case. Plaintiffs did not take an appeal from Judge Caproni's ruling.

On 7 February 2019, a second class action was filed against Crédit Agricole CIB and the other defendants named in the class action already pending before the United States District Court for the Southern District of New York. In July 2020, the plaintiffs voluntarily discontinued the action but the claim could be revived.

On 11 July 2018, Crédit Agricole S.A. and Crédit Agricole CIB were notified with other banks of a class action filed in Canada, before the Ontario Superior Court of Justice. Another class action was filed in the Federal Court of Canada. The action before the Ontario Superior Court of Justice was dismissed on 19 February 2020. Crédit Agricole S.A. and Crédit Agricole CIB have reached an agreement in principle to resolve the proceedings before the Federal Court. The final agreement has yet to be approved by the court.

O'Sullivan and Tavera

On November 9, 2017, a group of individuals, (or their families or estates), who claimed to have been injured or killed in attacks in Iraq filed a complaint *("O'Sullivan I")* against several banks including Crédit Agricole S.A., and its subsidiary Crédit Agricole Corporate Investment Bank (Crédit Agricole CIB), in US Federal District Court of New York.

On December 29, 2018, the same group of individuals, together with 57 new plaintiffs, filed a separate action ("*O'Sullivan II*") against the same defendants.

On December 21, 2018, a different group of individuals filed a complaint (*"Tavera"*) against the same defendants.

All three complaints allege that Crédit Agricole S.A., Crédit Agricole CIB, and other defendants conspired with Iran and its agents to violate US sanctions and engage in transactions with Iranian entities in violation of the US Anti-Terrorism Act and the Justice Against Sponsors of Terrorism Act. Specifically, the complaints allege that Crédit Agricole S.A., Crédit Agricole CIB, and other defendants processed US dollar transactions on behalf of Iran and Iranian entities in violation of sanctions administered by the US Treasury Department's Office of Foreign Assets Control, which allegedly enabled Iran to fund terrorist organizations that, as is alleged, attacked plaintiffs. The plaintiffs are seeking an unspecified amount of compensatory damages.

On 2 March 2018, Crédit Agricole CIB and other defendants filed a motion to dismiss the *O' Sullivan I* Complaint. On 28 March 2019, the Court granted defendants' motion to dismiss. On 22 April 2019, the plaintiffs filed a motion to amend their complaint. Defendants submitted an opposition to that motion on 20 May 2019 and plaintiffs filed a reply on 10 June 2019. On 25 February 2020 the plaintiffs' motion to amend their complaint was denied and their original complaint dismissed with prejudice.

On 28 May 2020, plaintiffs filed a motion requesting that the court enter a final judgment against defendants to allow an appeal. On 11 June 2020, the defendants filed an opposition to plaintiffs' motion, and plaintiffs filed a reply brief on 18 June 2020. On June 29, 2021, the court denied plaintiffs' motion.

Concerning the procedure: In the *O'Sullivan* case, on July 28, 2021, the court stayed the *O'Sullivan I* action pending a decision in the appeal in a related case, Freeman v. HSBC Holdings, PLC, No. 19-3970 (2d. Cir.) *("Freeman I").* (The *O'Sullivan II* case is stayed pending resolution of the *O'Sullivan I* case and the *Tavera* case had been previously stayed pending the *Freeman I* appeal.) On June 5, 2023, the court extended the stay in the

O'Sullivan I and *O'Sullivan II* actions pending a decision in the appeal to the U.S. Supreme Court of the Second Circuit's decision in *Freeman I*. On October 2, 2023, the Supreme Court denied the petition for review of the Second Circuit's decision in *Freeman I*. On November 9, 2023, the court extended the stay pending resolution of certain motions in the district court in *Freeman I* and related cases including Freeman v. HSBC Holdings plc, No; 18-cv-7359 (E.D.N.Y) ("*Freeman II*") and Stephens v. HSBC Holdings plc, 18-cv-7439 (E.D.N.Y).

In the Tavera case, on September 12, 2023, the court extended the stay until after the Supreme Court's decision in *Freeman I*. On October 2, 2023, the Supreme Court denied the petition for review of the Second Circuit's decision in *Freeman I*. On November 8, 2023, the court extended the stay pending resolution of certain motions in the district court in the *Freeman I, Freeman II* and Stephens cases, and ordered the plaintiffs to submit a status report on April 1, 2024.

Binding agreements

Crédit Agricole Corporate & Investment Bank does not depend on any industrial, commercial or financial patent, license or contract.

2.8. Non-compliance risks

Non-compliance risks are defined as the risks of legal, administrative or disciplinary penalties, material financial loss or reputational damage, arising from a failure to comply with banking or financial laws or regulations, with professional or ethical standards, or with instructions issued by the executive body in accordance with the supervisory body's guidelines.

A compliance control system, which is part of Crédit Agricole CIB group's permanent control system, controls these risks.

PREVENTION AND CONTROL OF NON-COMPLIANCE RISKS

As the second line of defence of the Crédit Agricole CIB group's internal control system, the Compliance Division's mission is to work in partnership with the business lines to protect the Bank, its employees and its clients from non-compliance risks. As such, it assists or acts on behalf of the Bank's Executive Management in its effective management of non-compliance risks and helps ensure that the activities and operations of the Crédit Agricole CIB group and its staff comply with laws and regulations, internal and external rules, and professional and ethical standards in banking and finance.

Crédit Agricole CIB group's Compliance function, which is part of the Crédit Agricole Group's Compliance business line, is in charge of:

- protecting Crédit Agricole CIB group against any potentially harmful or unlawful external actions: fight against fraud and corruption, prevention of money laundering, fight against terrorist financing, embargoes and asset freezing obligations, etc.;
- protecting the Bank's reputation on the markets as well as its clients' interests against breaches of internal ethical rules and breaches of the professional obligations applicable to the Crédit Agricole CIB group and its employees (insider trading, price manipulation, dissemination of false information, conflicts of interest, advisory failure, etc.) but also against internal or mixed fraud and internal corruption.

To that end, the Compliance Division:

- provides relevant advice and assists its employees and executive managers by providing them with advice and training on compliance matters;
- defines and organises the compliance control setup (governance setup, compliance risk mapping, governance texts, monitoring and control setup both for the Head Office and for entities within Crédit Agricole CIB's consolidated scope of supervision);
- performs or assigns the necessary ex-ante or ex-post controls, depending on the activities and in particular monitors the transactions carried out by the Bank on its own account or on behalf of its clients;
- organizes, in conjunction with the Risk and Permanent Control Division, the reporting of any compliance incidents and ensures the rapid implementation of necessary corrective action, in coordination with the Risk and Permanent Control division and the *General inspection*;
- manages relations with regulatory and market supervision authorities, in conjunction with the Risk and Permanent Control division and the *General inspection*;
- produces the necessary reports on the quality of the system and the level of the compliance risks for Executive Management, the Board of Directors and the Compliance Department of Crédit Agricole S.A., as well as to the French and foreign authorities and regulators.

The Crédit Agricole CIB group's Compliance function includes all compliance teams at the Head Office and local compliance officers of the network and their teams. The following reporting and functional subordination structure is in place in order to improve the integration and guarantee the independence of this function:

- the Head of Compliance reports hierarchically to the Head of Compliance of Crédit Agricole S.A. and functionally to the Executive Management of Crédit Agricole CIB;
- Crédit Agricole CIB's Regional Compliance Officers report to the Head of Compliance of Crédit Agricole CIB;
- Crédit Agricole CIB's Local Compliance Officers hierarchically report to the Regional Compliance Officer (RCO);
- the Compliance Manager of the Wealth Management business line reports hierarchically to Crédit Agricole CIB's Head of Compliance and functionally to the Chief Executive Officer of CA Indosuez.

Crédit Agricole CIB's Compliance organisation is centred on two complementary structures:

- at the Head Office, the Compliance Division is made up of four integrated poles of expertise, with a global responsibility and organised according to a customer, product and/or employee focus and two tranverse functions:
  - Global Markets Regulatory Compliance (GMRC), in charge of compliance issues related to regulations, laws and financial market codes. As such, GMRC defines effective policies and procedures, defines and deploys training, assesses

and identifies non-compliance risks, advises business lines on non-compliance risks related to their activities and performs second-level controls on them. This division is organised around 3 functions (Advisory, Global Monitoring & Surveillance, Regulatory Market Projects & Reporting);

- Investment & Corporate Banking Regulatory Compliance (ICBRC) is in charge of supervising (for the Financing and Investment business lines) the overall system of compliance with internal and external standards and is responsible for the compliance of these business lines Coverage with the AMF General Regulation. ICBRC is also in charge of establishing the CIB of Crédit Agricole CIB group's Conflict of Interest Management Policy and setting up a global system for identifying, preventing and managing conflicts of interest;
- Financial Security (FS), in charge of the Bank's overall system for the identification, mapping, prevention, control and reporting of risks relating to financial crime: prevention of money laundering, fight against terrorist financing, embargo and asset freezing obligations, fight against fraud and corruption. FS processes and controls alerts in relation to financial security at the Head Office. It intervenes as a last resort in high-risk situations (embargoes). This pole of expertise is organised around 4 functions (Set-up, Advisory & Surveillance, Fight against Fraud and Corruption, Transformation & Change Management);
- Ethics Advisory Group (EAG), in charge of predominantly ethics-related issues. EAG is organised around 4 functions:
  - o Data Protection, in charge of managing non-compliance risks related to data processing;
  - o Coordination of Compliance Training and Culture, in charge of coordinating Compliance training topics, in conjunction with Human Resources and promoting compliance culture within the Bank;
  - o Tax Transparency, in charge of governance and coordination of subjects related to FATCA, AEOI, QI and QDD regulations;
  - o Sustainable Finance, in charge of compliance with regulations related to environmental, social and governance issues and risks.
- this organisation is supplemented by a Corporate Secretary's Office. It coordinates transversal matters involving the Compliance function and is organised around three functions:
  - o Governance, in charge of transversal issues;
  - o Innovation & Projects, in charge of digital transformation and oversight of Compliance transversal projects;
  - o the Compliance Control Unit, which handles supervision, coordination and reporting related to the compliance control and KYC quality control system, performs second-level controls, and monitors and manages the operational risks of the Compliance function;
- the OFAC & CPL Specific Transversal Projects team, in charge of steering the OFAC remediation programme as well as specific transversal projects.

- a geographical setup covering four regions (Americas, Asia-Pacific, Middle East and United Kingdom), in charge of ensuring compliance by each entity with the Bank's global compliance rules, as well as local laws, regulations and professional standards, under the responsibility of the Regional Compliance Officers at regional level and Local Compliance Officers at local level.

The Compliance's main governance body is the Topmost Compliance Management Committee, which includes Crédit Agricole CIB's Legal, Risk and Permanent Control and Periodic Control functions and since 2020, the heads of the Business Lines and Coverage Divisions. It is chaired by the Deputy Chief Executive Officer of Crédit Agricole CIB in charge of compliance. The Compliance Division of Crédit Agricole S.A. is also a permanent member of this Committee. The Topmost Compliance Management Committee oversees the setup for controlling non-compliance risks and ensures that it is appropriate and effective in guaranteeing an adequate level of security. At the same time, the Head of Compliance regularly informs Crédit Agricole CIB's governance bodies and Crédit Agricole S.A.'s Compliance Division of the non-compliance risks to which the Bank is exposed.

In 2023, the Crédit Agricole CIB Compliance Division continued to provide support and advice to the Bank's Executive Management and business lines. The Compliance Division conducted various projects and initiatives to continue improving its organisation, tools and processes and to increase its resources. In this context, the following work was carried out:

- recognition of regulatory changes with the continuation of the projects undertaken, in particular concerning the Swap Dealer regulation and transactional regulatory reports;
- implementation of global projects to strengthen the non-compliance risk management system (in addition to purely local initiatives) with:
  - initiatives aimed at strengthening transaction monitoring tools and the AML (Anti Money Laundering) alert processing system;
  - strengthening of the market abuse supervision framework, including the implementation of new tools and models, and the deployment of a vast Conduct programme;
  - strengthening of the ESG compliance system;
- constant focus on implementing transaction or account freezing/blocking decisions, in accordance with the new sanctions programmes;
- strengthening of the customer complaint management system;
- development of new artificial intelligence tools and solutions to respond in an innovative way to the compliance needs and challenges of the business lines and support functions.

The CA Indosuez group Compliance function is organised as a global Business Line, under the responsibility of the group Head of Compliance, and is made up of teams at Head Office and a network of local teams in each entity. The Compliance function is organised around 4 areas of expertise (Financial Security, Financial Compliance and Customer Protection, Fraud and Corruption, Cross-Border Risks) and a *État-Major* division. Within their respective areas, the heads of the poles of expertise are given global responsibility, serve as the central entry point and are responsible for ensuring the proper implementation of Compliance missions. In addition, within their area of expertise, managers are expected to stay abreast of legislative and regulatory developments, and to define and supervise the compliance system relating to their area of expertise. This responsibility aims to ensure the consistency, effectiveness and completeness of this system. The *État-Major* Division is responsible for managing relations between the Indosuez Wealth Management Group and Crédit Agricole S.A. Corporate Entity (in terms of reporting line) or Crédit Agricole CIB, where applicable.

3. BASEL III PILLAR 3 DISCLOSURES

3.1 Composition and management of capital

Under the Basel 3 agreements, (EU) Regulation No. 575/2013 of the European Parliament and of the Council of 26 June 2013 (Capital Requirements Regulation), as amended by CRR No. 2019/876 (referred to as "CRR 2"), requires supervised financial institutions (mainly credit institutions and investment firms) to disclose quantitative and qualitative information on their risk management activities. Crédit Agricole CIB group's risk management system and exposure levels are described in this section and in the "Risk Management" section of this 2023 Universal Registration Document.

The Basel 3 agreements are structured around three pillars:

- **Pillar 1** determines the minimum capital adequacy requirements and ratio levels in accordance with current regulatory framework;
- **Pillar 2** supplements the regulatory approach with the quantification of a capital requirement covering the major risks to which the Bank is exposed, based on the methodologies specific to it (see "Internal view of capital adequacy" section);
- **Pillar 3** introduces new standards for financial disclosures to the market. The latter must detail the components of regulatory capital the assessment of risks, both with regard to the regulations applied and the activity during the period.

Crédit Agricole CIB has opted to disclose its Pillar 3 information in a separate section from the Risk Factors and Risk Management section in order to isolate the information that is required to be disclosed under the regulations.

In accordance with the provisions set out by the CRR 2 Regulation, Crédit Agricole CIB publishes the qualitative and quantitative information required for a large listed institution, included in the consolidation scope of the Crédit Agricole S.A. Group and the Crédit Agricole Group.

Solvency management is primarily aimed at assessing capital and ensuring it is sufficient to cover the risks to which Crédit Agricole CIB is or may be exposed in light of its activities. The objective is to secure customer deposits and give the Group access to the financial markets under the sought-after conditions.

To that end, the Crédit Agricole CIB group measures regulatory capital requirements (Pillar 1) and manages regulatory capital by relying on short- and medium-term forward-looking measures, consistent with budget projections, based on a central economic scenario.

In addition, the Group employs an internal process called ICAAP (Internal Capital Adequacy and Assessment Process), developed in accordance with the interpretation of the regulatory texts specified below. The ICAAP includes in particular:

- governance of capital management, tailored to the specific features of Group subsidiaries and enabling centralised and coordinated oversight at Group level;
- measurement of economic capital requirements, based on the risk identification process and a quantification of capital requirements using an internal approach (Pillar 2);
- performance of ICAAP stress tests, aimed at simulating capital destruction after three years of an adverse economic scenario;
- economic capital management (see "Internal view of capital adequacy" section);
- a qualitative ICAAP that formalises the major areas for risk management improvement.

The ICAAP is highly integrated with the Group's other strategic processes such as the ILAAP (Internal Liquidity Adequacy and Assessment Process), risk appetite, the budget process, the recovery plan and risk identification.

Lastly, solvency and leverage ratios are an integral part of the risk appetite system applied within the Group (described in the chapter entitled "Risk management") in this 2023 Universal Registration Document.

3.1.1 Applicable regulatory framework

The Basel 3 agreements have tightened up the regulatory framework by enhancing the quality and level of regulatory capital required and by adding recognition of new risk categories to the regulatory framework. In addition, a specific regulatory framework, which provide for an alternative to bank default, was introduced following the 2008 financial crisis.

The texts on prudential requirements for credit institutions and investment firms were published in the Official Journal of the European Union on 26 June 2013. They include Directive 2013/36/EU (Capital Requirements Directive, aka CRD 4) and Regulation 575/2013 (Capital Requirements Regulation, aka CRR) and came into force on 1 January 2014, in accordance with the transitional provisions provided for in the texts.

Directive 2014/59/EU (Bank Recovery and Resolution Directive) was published on 12 June 2014 in the Official Journal of the European Union and has been applicable in France since 1 January 2016. The European Single Resolution Mechanism Regulation (SRMR, Regulation 806/2014) was published on 15 July 2014 and entered into force on 19 August 2016, in accordance with the transitional provisions provided for in the texts.

On 7 June 2019, four legislative texts constituting the banking package were published in the Official Journal of the European Union:

- CRR 2: Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 575/2013;
- SRMR 2: Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 806/2014;
- CRD 5: Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU;
- BRRD 2: Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU.

SRMR 2 and CRR 2 entered into force on 27 June 2019 (although not all provisions were immediately applicable). The CRD 5 and BRRD 2 directives were transposed into French law on 21 December 2020 by Orders 2020 -1635 and 2020 -1636, respectively, and came into force seven days after they were published, on 28 December 2020.

Regulation 2020/873 known as the "CRR Quick Fix" was published on 26 June 2020 and came into force on 27 June 2020, amending Regulations 575/2013 ("CRR") and 2019/876 ("CRR2").

Under CRR 2/CRD 5, four levels of capital requirements are calculated:

- the Common Equity Tier 1 (CET1) capital ratio;
- the Tier 1 (T1) capital ratio;
- the total capital ratio;
- the leverage ratio.

The calculation of these ratios is phased-in in order to gradually manage:

- the transition between Basel 2 and Basel 3 calculation rules (the transitional provisions were applied to capital until 1 January 2018 and to hybrid debt instruments until 1 January 2022);
- the eligibility criteria defined by CRR 2 (until 28 June 2025 for capital instruments);
- the impacts of the application of IFRS 9.

3.1.2 Supervision and prudential scope

Credit institutions and certain approved investment activities, referred to in Annex 1 to Directive 2004/39/EC, are subject to solvency, leverage, resolution and large exposure ratios on an individual and, where applicable, sub-group basis.

The French Regulatory Control and Resolution Authority (ACPR) has accepted that certain subsidiaries of the Group may benefit from an individual exemption or, where applicable, on a consolidated basis under the conditions set out in Article 7 of the CRR Regulation. In that regard, the ACPR has provided Crédit Agricole CIB with an exemption on an individual basis.

The transition to single supervision on 4 November 2014 by the European Central Bank did not call into question the individual exemptions previously granted by the ACPR.

The detailed list of entities showing a difference in treatment between accounting scope and prudential scope is presented in the "Notes on regulatory capital" section.

3.1.3 Capital policy

At the Investor Day held on 22 June 2022, the Crédit Agricole Group unveiled its financial guidance for the medium-term plan, "2025 Ambitions".

Targets in terms of income and scarce resources were specified at that time.

Crédit Agricole S.A.'s subsidiaries under exclusive control and subject to compliance with capital requirements, including the Crédit Agricole CIB group, are allocated in capital at a consistent level, taking into account local regulatory requirements, the capital requirements needed to finance their development and a management buffer tailored to the volatility of their CET1 ratio.

3.1.4 Governance

The Scarce Resources Committee meets each quarter. Meetings are chaired by the Deputy Chief Executive Officer and Chief Financial Officer, and are also attended by the Chief Risk Officer, the Head of Oversight, the Head of Cash Management and representatives of the business lines and Crédit Agricole S.A. representatives.

The main tasks of this committee are to:

- review Crédit Agricole CIB group's solvency, leverage ratio and resolution projections for the short and medium term;
- validate the main assumptions affecting solvency in line with the Medium-Term Plan;
- set the rules for capital management and allocation between the Bank's various business lines within the Group;
- decide on liability management transactions (subordinated debt management);
- keep up to date with supervisory and regulatory developments;
- examine relevant issues relating to subsidiaries;
- prepare any decisions to be submitted to the Board of Directors' Asset-Liability Committee;
- examine any other matters impacting the solvency and resolution ratios at Group level.

Regulatory capital is managed using a process known as capital planning.

The purpose of capital planning is to provide projections of capital and consumption of scarce resources (risk-weighted assets and balance sheet size) over the horizon of the current Medium-Term Plan, with a view to establishing guidance for the solvency ratios (CET 1, Tier 1, total capital ratio), and the leverage and resolution ratios (if applicable).

It covers the budget components of the financial trajectory, including structural transaction plans, accounting and prudential regulatory changes, and the reviews of models applied to risk bases. It also reflects the issue policy (subordinated debt and TLAC and MREL-eligible debt) and distribution policy with regard to the capital structure objectives defined in line with the Group's strategy.

It determines the leeway available for the development of the business lines.

The capital planning is submitted to various governance bodies and is communicated to the competent authorities, either as part of regular information exchanges or in connection with one-off operations (such as authorisation requests).

3.1.5 Prudential capital

3.1.5.1 PRUDENTIAL CAPITAL

Basel 3 defines three levels of capital:

- Common Equity Tier 1 (CET1) capital;
- Tier 1 (T1) capital, consisting of Common Equity Tier 1 and Additional Tier 1 (AT1) capital;
- total capital, consisting of Tier 1 capital and Tier 2 (T2) capital.

All tables and comments below include retained earnings for the period.

◆ Common Equity Tier 1 (CET1) capital

This comprises:

- capital;
- reserves, including share premiums, retained earnings, income net of tax after dividend payments and accumulated other comprehensive income, including notably unrealised capital gains or losses on financial assets held to collect and sell and translation adjustments;

- minority interests, which are partially derecognised, or even excluded, depending on whether or not the subsidiary is an eligible credit institution; this partial derecognition corresponds to the surplus capital relative to the level needed to cover the subsidiary's capital requirements and applies to each capital tier;
- deductions, which mainly include the following items:
  - CET1 instruments held under liquidity contracts and buyback programmes,
  - intangible assets, including start-up costs and goodwill,
  - prudent valuation, which consists in adjusting the amount of the institution's assets and liabilities if, in accounting terms, it does not reflect a valuation deemed prudent by regulations,
  - deferred tax assets (DTAs) that rely on future profits and arise from tax loss carry forwards,
  - insufficient provisions relative to expected losses for exposures managed under the internal ratings-based approach, as well as expected losses on equity exposures,
  - equity instruments held in financial sector investments of 10% or less (referred to as non-material investments), for the amount exceeding a cap of 10% of the subscriber's CET1 capital, in the proportion of CET1 instruments held out of total equity instruments held; non-deducted items are included in risk-weighted assets (variable weighting according to instrument type and Basel method),
  - deferred tax assets (DTAs) that depend on future profits related to temporary differences in the amount exceeding an individual cap of 10% of the institution's CET1 capital; non-deducted items are included in risk-weighted assets (250% risk weight),
  - CET1 instruments held in financial sector investments of more than 10% (large investments) for the amount exceeding an individual cap of 10% of the institution's CET1 capital; items not deducted are included in risk-weighted assets (250% risk weight),
  - the sum of deferred tax assets (DTAs) depending on future profits related to temporary differences and CET1 instruments held in financial sector investments of more than 10% (referred to as large investments) for the amount exceeding a set cap of 17.65% of the institution's CET1 capital, after calculating the individual caps listed above; non-deducted items are included in risk-weighted assets (250% risk weight).

Additional Tier 1 (AT1) capital

This comprises:

- eligible additional Tier 1 (AT1) capital, which consists of undated debt instruments without any redemption incentives or obligations (particularly including step-up clauses);
- direct deductions of AT1 instruments (including market-making instruments);
- deductions of equity instruments held in financial sector investments of 10% or less (referred to as non-material investments), for the amount exceeding a cap of 10% of the subscriber's CET1 capital, in the proportion of CET1 instruments held out of total equity instruments held; non-deducted items are included in risk-weighted assets (variable weighting according to instrument type and Basel method);
- deductions of AT1 instruments held in financial sector investments of more than 10% (large investments);
- other AT1 capital components or other deductions (including AT1-eligible minority interests).

AT1 instruments eligible for CRR 575/2013, as amended by CRR No. 2019/876 (CRR 2), included in the ratio are subject to a loss absorption mechanism that is triggered when the CET1 ratio is below a threshold that must be set at a minimum of 5.125%. Instruments may be converted into equity or suffer a reduction in their nominal value. Payments must be totally flexible (no automatic remuneration mechanisms and/or suspension of coupon payments at the Issuer's discretion are permitted).

The amount of AT1 instruments used in the fully-loaded ratios is equal to the Additional Tier 1 capital instruments eligible under CRR No. 575/2013 as amended by CRR No. 2019/876 (CRR 2).

AT1 instruments issued by Crédit Agricole CIB include a loss absorption mechanism that triggers when Crédit Agricole CIB's CET1 ratio is below a threshold of 5.125%.

At 31 December 2023, Crédit Agricole CIB's phased-in CET1 ratio was 12.70%. It thus serves as a capital buffer of €10.4 billion for Crédit Agricole CIB relative to the loss absorption threshold of 5.125%.

At 31 December 2023, there was no applicable restriction on the payment of coupons.

CRR 2 introduces eligibility criteria. For example, instruments issued by an institution established in the European Union subject to third-country law must include a bail-in clause in order to be eligible. These provisions apply to each category of AT1 and T2 capital instruments.

These instruments are published and detailed on the website: REGULATED INFORMATION | Crédit Agricole CIB (ca-cib.com) - "Main features of capital instruments".

Tier 2 (T2) capital

This comprises:

- subordinated debt instruments with a minimum maturity of five years and for which:
  - early redemption incentives are prohibited,
  - a discount is applied during the five-year period prior to maturity;
- deductions of direct holdings of Tier 2 instruments (including market-making instruments);
- the provisions in excess of the eligible expected losses determined using the internal ratings-based approach, limited to 0.6% of IRB (internal ratings-based) risk-weighted assets;
- deductions of equity instruments held in financial sector investments of 10% or less (referred to as non-material investments), for the amount exceeding a cap of 10% of the subscriber's CET1 capital, in the proportion of T2 instruments held out of total equity instruments held; non-deducted items are included in risk-weighted assets (variable weighting according to instrument type and Basel method);
- deductions of Tier 2 instruments held in financial sector investments of more than 10% (large investments), mainly from the insurance sector;
- Tier 2 capital components or other deductions (including Tier 2-eligible minority interests).

The amount of Tier 2 instruments used in the fully-loaded ratios is equal to the Tier 2 capital instruments eligible under CRR No. 575/2013 as amended by CRR No. 2019/876 (CRR 2).

These instruments are published and detailed on the website: REGULATED INFORMATION | Crédit Agricole CIB (ca-cib.com) - "Main features of capital instruments".

Transitional provisions

Less stringent transitional provisions were provided for to make it easier for credit institutions to comply with CRR 2/CRD 5, thanks to the gradual introduction of the new prudential treatments of capital components.

All these transitional provisions ended on 1 January 2018, while those relating to hybrid debt instruments ceased to apply on 1 January 2022.

Lastly, the "Quick Fix" regulation of 26 June 2020 has extended, to 2024, the application of the transitional provisions provided for by the CRR relating to the inclusion in solvency ratios of the impact of applying accounting standard IFRS 9. Crédit Agricole CIB did not opt to apply this provision on the first-time application of IFRS 9 in 2018. Following the publication of the Quick Fix regulation, the decision was made to opt for this provision as from the recording date of 30 June 2020.

During the transition phase (until 2024), the impacts associated with the application of IFRS 9 may be included in CET1 capital, based on a calculation consisting of several components:

- a static component serving to neutralise some of the impact of the first-time application of IFRS 9. Neutralisation is no longer carried out as of 1 January 2023;
- a dynamic component, serving to neutralise some of the net increase in provisions recorded between 1 January 2018 and 1 January 2020 on performing loans (compartments 1 and 2 of IFRS 9). Neutralisation is no longer carried out as of 1 January 2023;
- A second dynamic component, serving to neutralise some of the net increase in provisions recorded between 1 January 2020 and the reporting date on performing loans (compartments 1 and 2 of IFRS 9). In 2023, neutralisation was carried out based on a rate of 50%.

3.1.5.2 POSITIONS AS OF 31 DECEMBER 2023

▶ **Simplified regulatory capital**

	31.12.2023		31.12.2022	
€ million	Phased in	Fully loaded	Phased in	Fully loaded
Equity Group share (carrying amount) [1]	**29,937**	**29,937**	**28,255**	**28,255**
(-) Expected dividend	(170)	(170)	(344)	(344)
(-) AT1 instruments accounted as equity	(10,259)	(10,259)	(9,989)	(9,989)
Equity Group share	**19,508**	**19,508**	**17,923**	**17,923**
(-)Increases in the value of equity resulting from securitised assets	(323)	(323)	(319)	(319)
Cash flow hedging reserve	1,126	1,126	1,866	1,866
Cumulative gains and losses due to changes in the credit risk for the liabilities assessed at fair value	(95)	(95)	(305)	(305)
Profits and losses in fair value arising from the institution's own credit risk related to derivative instruments in the liability	(33)	(33)	(33)	(33)
(-) Prudent valuation	(842)	(842)	(975)	(975)
Prudential filters	**(169)**	**(169)**	**234**	**234**
Goodwill	(1,114)	(1,114)	(1,086)	(1,086)
Intangible assets	(354)	(354)	(324)	(324)
(-) Deductions of goodwill and other intangible assets	**(1,468)**	**(1,468)**	**(1,410)**	**(1,410)**
Deferred tax assets dependent on future profitability and not arising from temporary differences[1]	(11)	(11)	(2)	(2)
Insufficiency of credit risk adjustments relative to expected losses using the internal rating approach deducted CET1	(8)	(8)	(7)	(7)
Deductible period overrun	0	0	0	0
Other CET1 components	(420)	(573)	(295)	(547)
Total CET1	**17,433**	**17,280**	**16,443**	**16,192**
AT1 instruments	10,259	10,259	9,989	9,989
Other AT1 components	79	79	141	141
TOTAL TIER 1	**27,771**	**27,618**	**26,573**	**26,321**
Tier 2 instruments	3,797	3,797	4,039	4,039
Other Tier 2 components	488	488	492	492
TOTAL CAPITAL	**32,056**	**31,904**	**31,104**	**30,852**
TOTAL EXPOSURE AMOUNT TO RISK (RWA)	**137,235**	**137,233**	**141,699**	**141,696**
Ratio CET1	**12.70%**	**12.59%**	**11.60%**	**11.43%**
Ratio Tier 1	**20.24%**	**20.12%**	**18.75%**	**18.58%**
Ratio Total capital	**23.36%**	**23.25%**	**21.95%**	**21.77%**

[1] *Information covered by the auditors' opinion.*

For the sake of clarity, the complete table on the composition of capital (EU CC1 and EU CC2) is presented in Pillar 3 available on the website: REGULATED INFORMATION | Crédit Agricole CIB (ca-cib.com)

◆ Change over the period

Fully-loaded Common Equity Tier 1 (CET1) capital amounted to €17.3 billion at 31 December 2023, representing an increase compared to end-2022 (+€1.1 billion).

The changes are detailed below by ratio category:

- capital instruments and reserves amounted to €18.9 billion, up +€1.5 billion compared to end-2022, thanks in large part to retained earnings.
- prudential filters were down (positive impact of +€0.4 billion) compared to end-2022;
- deductions for goodwill and other intangible assets amounted to -€1.5 billion, stable over 2023 (negative impact of -€0.06 billion).

Phased-in Common Equity Tier 1 (CET1) amounted to €17.4 billion at 31 December 2023, i.e. a difference of +€0.2 billion compared to fully-loaded Common Equity Tier 1 (CET1) capital. This difference is entirely due to a measure under the "Quick Fix" Regulation of 26 June 2020, referred to in the paragraph on transitional provisions, which extended the possibility of incorporating the impacts of the application of IFRS 9 in solvency ratios to 2024. During this transitional phase, the impacts related to the application of IFRS 9 may thus be included in CET1 capital, which the Crédit Agricole CIB group has opted to do.

Phased-in Tier 1 (T1) capital stood at €27.8 billion, up +€1.2 billion compared to 31 December 2022, with an increase in Additional Tier 1 capital of +€0.2 billion;

Phased-in Tier 2 (T2) capital amounted to €4.2 billion, down -€0.2 billion compared to 31 December 2022.

Overall, phased-in total capital amounted to €32.1 billion, up +€1.0 billion versus 31 December 2022.

3.1.6 Capital adequacy

Capital adequacy from a regulatory perspective concerns solvency ratios and the leverage ratio. Each of these ratios reports an amount of prudential capital and/or eligible instruments to risk exposure or leverage.

The definitions and calculations of these exposures are described in the section 3.2 "Composition and changes in risk-weighted assets" section. The regulatory view is supplemented by the internal view of capital adequacy, which concerns the coverage of economic capital requirements by internal capital.

3.1.6.1 SOLVENCY RATIO

The purpose of solvency ratios is to verify the adequacy of the various capital compartments (CET1, Tier 1 and total capital) to risk-weighted assets arising from credit, market and operational risks. These risks are calculated either using the standardized approach or the internal approach (see section 3.2 "Composition and changes in risk-weighted assets" section).

Prudential requirements

Pillar 1 requirements are governed by Regulation (the CRR). The regulator also sets minimum requirements within the framework of Pillar 2 on a discretionary basis. The following items meet the disclosure requirements of Article 438(b) of CRR2.

The overall capital requirement is as follows:

SREP capital requirement	31.12.2023	31.12.2022
Pillar 1 minimum CET1 requirement	4.50%	4.50%
CET1 additional Pillar 2 requirement (P2R)	0.84%	0.84%
Combined buffer requirement	2.92%	2.63%
CET1 requirement	**8.26%**	**7.98%**
Pillar 1 minimum AT1 requirement	1.50%	1.50%
AT1 component of P2R	0.28%	0.28%
Pillar 1 minimum Tier 2 requirement	2.00%	2.00%
Tier 2 component of P2R	0.38%	0.38%
Overall capital requirement	**12.42%**	**12.13%**

Crédit Agricole CIB must comply with a minimum CET1 ratio of 8.26%. This level includes Pillar 1, Pillar 2 (P2R) capital requirements, supplemented by total capital buffer requirements (based on the decisions known to date).

Minimum Pillar 1 requirements

Pillar 1 capital requirements include a minimum CET1 capital ratio of 4.5%, a minimum Tier 1 capital ratio of 6% and a minimum total capital ratio of 8%.

Minimum Pillar 2 requirements

The Crédit Agricole CIB group is notified annually by the European Central Bank (ECB) of the minimum capital requirements following the publication of the results of the Supervisory Review and Evaluation Process (SREP).

- a Pillar 2 Requirement (P2R) of 1.5%, which applies to all the capital tiers and automatically leads to capital distribution restrictions (coupons of additional Tier 1 capital instruments, dividends, variable remuneration) in the event of non-compliance; this requirement is therefore public. 75% of P2R can be covered by Tier 1 capital, at least 75% of which must be CET1 capital;
- a Pillar 2 Guidance (P2G) that is not public and must be fully comprised of Common Equity Tier 1 (CET1) capital.

Combined buffer requirements and distribution restriction threshold

Regulations have provided for the establishment of capital buffers, to be fully covered by Common Equity Tier 1 capital and subject to the following overall requirements:

Combined buffer requirement	31.12.2023	31.12.2022
Phased-in capital conservation buffer	2.50%	2.50%
Phased-in systemic buffer	0.00%	0.00%
Countercyclical buffer	0.42%	0.13%
Combined buffer requirement	**2.92%**	**2.63%**

More specifically:

- the conservation buffer (2.5% of risk-weighted assets since 1 January 2019) aims to absorb losses in a situation of intense economic stress;
- the countercyclical buffer (rate in principle set in a range of 0% to 2.5%) aims to fight against excessive credit growth. The rate is set by the competent authorities of each State (the *Haut Conseil de Stabilité Financière* - HCSF- in France) and the buffer at institution level being an average weighted by the exposures at default (EAD) of the buffers defined for each country where the institution has operations; where the rate of a countercyclical buffer is calculated for a country of operation, the effective date is no more than 12 months after the date of publication, except in exceptional circumstances;
- the systemic risk buffer (generally between 0% and 3%, and up to 5% with the approval of the European Commission, and higher in exceptional cases) aims to prevent or mitigate the non-cyclical aspect of the risk. It is set by the competent authorities of each State (the HCSF in France) and depends on the structural characteristics of the banking sector, in particular its size, degree of concentration and contribution to the funding of the economy.
- systemically important bank buffers (0% to 3% generally, up to 5% with the approval of the European Commission, and higher in exceptional cases); for Global Systemically Important Institutions (G-SIIs, between 0% and 3.5%) or for other systemically important institutions (O-SIIs, between 0% and 2%). These buffers are not cumulative and, generally speaking, with some exceptions, the highest buffer applies. Only the Crédit Agricole Group is a G-SII and has had a buffer of 1% since 1 January 2019. The Crédit Agricole CIB group is not subject to such requirements. When an institution is subject to a systemically important institution buffer (G-SII or O-SII) and a systemic risk buffer, both buffers are cumulative.

At 31 December 2023, countercyclical buffers were activated in 18 countries by the competent national authorities.

Given Crédit Agricole CIB's exposures in these countries, Crédit Agricole CIB's countercyclical buffer was 0.42% at 31 December 2023.

In addition, subsequent to HCSF decision No. 2023-3, which entered into force on 1 August 2023, a sectoral systemic risk buffer was activated in France to prevent the risk of excessive concentration of global systemically important institutions and other systemically important institutions to highly indebted French large corporates. The Crédit Agricole CIB group is not subject to this buffer.

▶ Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer (EU CCYB1)

€ million	31.12.2023												
	General credit exposures		Relevant credit exposures – Market risk				Own fund requirements						
Breakdown by country:	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long short positions of trading book exposures for SA	Value of trading book exposures for internal models	Securitisation exposures Exposure value for non-trading book	Total exposure value	Relevant credit risk exposures – Credit risk	Relevant credit risk exposures – Market risk	Relevant credit risk exposures – Securitisation positions in the non-trading book	Total	Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
Australia	6	4,935	-	-	0	4,941	69	-	0	69	863	0.98%	1.00%
Bulgaria	-	-	-	-	-	-	-	-	-	-	-	0.00%	2.00%
Croatia	-	0	-	-	-	0	0	-	-	0	0	0.00%	1.00%
Cyprus	-	307	-	-	38	345	5	-	0	5	65	0.07%	0.50%
Czech Republic	-	79	-	-	-	79	4	-	-	4	49	0.06%	2.00%
Denmark	0	972	-	-	67	1,038	21	-	1	22	277	0.31%	2.50%
Estonia	-	42	-	-	-	42	0	-	-	0	3	0.00%	1.50%
France	2,830	49,899	160	1,483	23,293	77,665	1,242	131	245	1,619	20,236	22.88%	0.50%
Germany	24	11,703	-	-	2,892	14,618	239	-	41	280	3,496	3.95%	0.75%
Great Britain	231	16,237	-	-	3,056	19,524	442	-	39	481	6,015	6.80%	2.00%
Guadeloupe	-	0	-	-	-	0	0	-	-	0	0	0.00%	0.50%
French Guiana	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.50%
Hong Kong	51	4,674	-	-	218	4,943	74	-	3	78	972	1.10%	1.00%
Iceland	-	-	-	-	-	-	-	-	-	-	-	0.00%	2.00%
Ireland	4	5,003	-	-	95	5,101	74	-	1	75	933	1.05%	1.00%
Lithuania	-	-	-	-	22	22	-	-	1	1	13	0.01%	1.00%
Luxembourg	78	16,554	-	-	5,036	21,667	311	-	0	311	3,891	4.40%	0.50%
Martinique	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.50%
Mayotte	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.50%
Netherlands	84	7,410	-	-	732	8,226	246	-	9	255	3,185	3.60%	1.00%
Norway	-	1,858	-	-	31	1,889	35	-	0	35	439	0.50%	2.50%
French Polynesia	-	254	-	-	-	254	0	-	-	0	5	0.01%	0.50%
Romania	-	17	-	-	-	17	1	-	-	1	8	0.01%	1.00%
Réunion	-	1	-	-	-	1	0	-	-	0	0	0.00%	0.50%
Saint Barthélémy	-	10	-	-	-	10	0	-	-	0	0	0.00%	0.50%
Saint-Marin	-	0	-	-	-	0	0	-	-	0	0	0.00%	0.50%
Saint-Pierre-et-Miquelon	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.50%
Slovakia	-	4	-	-	-	4	0	-	-	0	2	0.00%	1.50%
Slovenia	-	0	-	-	-	0	0	-	-	0	0	0.00%	0.50%
Sweden	48	2,791	-	-	22	2,861	84	-	0	84	1,054	1.19%	2.00%
Wallis et Futuna	-	0	-	-	-	0	0	-	-	0	0	0.00%	0.50%
Other countries *	4,573	121,785	-	-	26,836	153,193	3,427	-	330	3,757	46,957	53.08%	0.00%
Total	**7,927**	**244,537**	**160**	**1,483**	**62,337**	**316,444**	**6,275**	**131**	**671**	**7,077**	**88,460**	**100%**	**0.42%**

**For which no countercyclical buffer has been defined by the competent authority.*

▸ Amount of institution-specific countercyclical capital buffer (EU CCYB2)

€ million		31.12.2023	31.12.2022
1	Total risk exposure amount	137,235	141,699
2	Institution specific countercyclical capital buffer rate	0.42%	0.13%
3	Institution specific countercyclical capital buffer requirement	**570**	**189**

The transposition of Basel regulations into European law (CRD) introduced a distribution restriction mechanism that applies to dividends, AT1 instruments and variable remuneration. The principle behind the Maximum Distributable Amount (MDA), i.e. the maximum amount that a bank is authorised to allocate to distributions, is intended to restrict distributions if they would result in a breach of applicable buffer requirements.

The distance to the MDA triggering threshold is the lowest of the respective distances to the SREP requirements in CET1, Tier 1 equity capital and total capital requirements.

	CET1 SREP requirement	Tier 1 SREP requirement	Overall capital SREP requirement
Pillar 1 minimum requirement	4.50%	6.00%	8.00%
Pillar 2 requirement (P2R)	0.84%	1.13%	1.50%
Conservation buffer	2.50%	2.50%	2.50%
Systemic risk buffer	0.00%	0.00%	0.00%
Countercyclical buffer	0.42%	0.42%	0.42%
SREP requirement (a)	**8.26%**	**10.04%**	**12.42%**
31.12.2023 Phased-in solvency ratios (b)	**12.70%**	**20.24%**	**23.36%**
Distance to SREP requirement (b-a)	444 pb	1,020 pb	1,094 pb
Distance to MDA trigger threshold	**444 pb (€6,1bn)**		

At 31 December 2023, the Crédit Agricole CIB group had a buffer of 444 basis points above the MDA trigger point, i.e. approximately €6.1 billion in CET1 capital.

◆ Position as of 31 December 2023

	31.12.2023		31.12.2022	
	Phased-in	Requirements	Phased-in	Requirements
CET1 ratio	12.70%	8.26%	11.60%	7.98%
Tier 1 ratio	20.24%	10.04%	18.75%	9.76%
Total capital ratio	23.36%	12.42%	21.95%	12.13%

The applicable minimum requirements are fully observed; Crédit Agricole CIB's phased-in CET1 ratio was 12.70% at 31 December 2023.

◆ Change in CET1 over 2023

The CET1 ratio rose 1.10 percentage points in 2023, largely due to the decrease in risk-weighted assets, offset by the increase in capital resulting from the share of income for the year retained in reserves.

Impact of the application of IFRS 9 transitional provisions

The transitional provisions of IFRS 9 were applied for the first time in accordance with the closing of 30 June 2021.

Quantitative model (EBA/GL/2020/12)

Comparison of capital and leverage/capital ratios of institutions with and without the application of transitional provisions relating to IFRS 9 or analogous ECLs (IFRS 9-FL).

€ million		31.12.2023	31.12.2022
Available capital (amounts)			
1	Common Equity Tier 1 (CET1) capital	17,433	16,443
2	Common Equity Tier 1 (CET1) capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	17,280	16,192
3	Tier 1 capital	27,771	26,573
4	Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	27,618	26,321
5	Total capital	32,056	31,104
6	Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	31,904	30,852
Risk-weighted assets (amounts)			
7	Total risk-weighted assets	137,235	141,699
8	Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	137,233	141,696
Capital ratios			
9	Common Equity Tier 1 (as a percentage of risk exposure amount)	12.70%	11.60%
10	Common Equity Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	12.59%	11.43%
11	Tier 1 (as a percentage of risk exposure amount)	20.24%	18.75%
12	Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	20.12%	18.58%
13	Total capital (as a percentage of risk exposure amount)	23.36%	21.95%
14	Total capital (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	23.25%	21.77%
Leverage ratio			
15	Leverage ratio total exposure measure	726,614	681,299
16	Leverage ratio	3.82%	3.90%
17	Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	3.80%	3.86%

Crédit Agricole CIB does not apply the temporary treatment described in Article 468 of CRR No. 2020/873 and was not impacted by any change in this provision during the period. Crédit Agricole CIB's capital and leverage and capital ratios already reflect the total impact of unrealised gains and losses measured at fair value through other comprehensive income. These provisions ended on 1 January 2023.

3.1.6.2 LEVERAGE RATIO

Regulatory framework

The leverage ratio is calculated to help preserve financial stability by providing a safety net in addition to the risk-based capital requirements and by limiting the accumulation of excessive leverage during economic upturns. It was defined by the Basel Committee in connection with the Basel 3 agreements and transposed into European law through Article 429 of the CRR, amended by Delegated Regulation 62/2015 of 10 October 2014, and published in the Official Journal of the European Union on 18 January 2015.

The leverage ratio is defined as the Tier 1 capital divided by the leverage exposure, i.e. asset and off-balance sheet items after certain restatements for derivatives, transactions between Group affiliates, securities financing transactions, items deducted from the numerator and off-balance sheet items.

Since the publication of the European CRR 2 regulation in the Official Journal of the European Union on 7 June 2019, the leverage ratio has been subject to a minimum Pillar 1 requirement of 3%, applicable as from 28 June 2021.

Under CRR2, certain Central Bank exposures may be excluded from total leverage ratio exposure when justified by exceptional macroeconomic circumstances. Where this exemption is applied, institutions must meet an adjusted leverage ratio requirement of more than 3%.

Since 1 January 2015, it has been mandatory to disclose the leverage ratio at least once a year: institutions can choose to disclose a fully-loaded ratio or a phased-in ratio. If an institution decides to change its choice of disclosure option, when it discloses the new ratio for the first time, it must reconcile the data for all of the ratios previously disclosed with the data for the new ratio chosen.

Crédit Agricole CIB has chosen to publish the leverage ratio in a phased-in format.

Positions as of 31 December 2023

Publication of qualitative information on the leverage ratio (EU LRA)

Crédit Agricole CIB's leverage ratio stands at 3.82% on a phased-in Tier 1 basis.

The leverage ratio was down -0.08 percentage point in 2023.

The leverage ratio is not sensitive to risk factors and, as such, it is viewed as a measurement that supplements the solvency management system (solvency ratio/resolution ratio) and the liquidity management system already limiting the size of the balance sheet. For the purposes of managing excessive leverage, constraints are set on leverage in certain activities considered volatility yet limited consumers of risk-weighted assets.

Leverage ratio – common disclosure (EU LR2)

€ million		31.12.2023	30.06.2023
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	442,616	438,339
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	4,424	1,589
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(18,147)	(18,391)
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	0
5	(General credit risk adjustments to on-balance sheet items)	-	0
6	(Asset amounts deducted in determining Tier 1 capital)	(1,568)	(1,228)
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	**427,324**	**420,309**
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	23,423	26,744
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	0	0
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	53,370	52,267
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	0	0
EU-9b	Exposure determined under Original Exposure Method	0	0
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	0	0
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	0	0
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)	0	0
11	Adjusted effective notional amount of written credit derivatives	17,578	16,811
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	(7,046)	(6,348)
13	**Total derivatives exposures**	**87,325**	**89,475**
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	378,446	319,470
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(211,732)	(159,622)
16	Counterparty credit risk exposure for SFT assets	7,990	7,314
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	0	0
17	Agent transaction exposures	0	0
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	0	0
18	**Total securities financing transaction exposures**	**174,705**	**167,162**
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	252,131	244,317
20	(Adjustments for conversion to credit equivalent amounts)	(116,293)	(117,618)
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	0	0
22	**Off-balance sheet exposures**	**135,838**	**126,700**

€ million		31.12.2023	30.06.2023
Excluded exposures			
EU-22a	(Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))	(84,121)	(94,963)
EU-22b	(Excluded exposures of public development banks (or units) - Public sector investments)	0	0
EU-22c	(Excluded exposures of public development banks (or units) - Promotional loans)	0	0
EU-22d	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	0	0
EU-22e	(Excluded guaranteed parts of exposures arising from export credits)	0	0
EU-22f	(Excluded excess collateral deposited at triparty agents)	(14,456)	(12,934)
EU-22g	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	0	0
EU-22h	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	0	0
EU-22i	(Reduction of the exposure value of pre-financing or intermediate loans)	0	0
EU-22j	(Total exempted exposures)	0	0
EU-22k	**(Total exempted Exposures)**	**(98,577)**	**(107,897)**
Capital and total exposure measure			
23	**Tier 1 capital**	**27,771**	**26,333**
24	**Total exposure measure**	**726,614**	**695,748**
Leverage ratio			
25	**Leverage ratio (%)**	**3.82%**	**3.78%**
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	3.82%	3.78%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	3.82%	3.78%
26	Regulatory minimum leverage ratio requirement (%)	3.00%	3.00%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	0.00%	0.00%
EU-26b	of which: to be made up of CET1 capital	0.00%	0.00%
27	Leverage ratio buffer requirement (%)	0.00%	0.00%
EU-27a	Overall leverage ratio requirement (%)	3.00%	3.00%
Choice on transitional arrangements and relevant exposures			
EU-27b	Choice on transitional arrangements for the definition of the capital measure	Transitional	Transitional
Disclosure of mean values			
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	166,421	165,037
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	166,715	159,848
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	726,321	700,936
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	726,321	700,936
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	3.82%	3.76%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	3.82%	3.76%

Summary reconciliation of accounting assets and leverage ratio exposures (EU LR1)

€ million		31.12.2023
1	Total assets as per published financial statements	757,367
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	(12,677)
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
4	(Adjustment for temporary exemption of exposures to central banks (if applicable))	-
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustment for eligible cash pooling transactions	-
8	Adjustment for derivative financial instruments	(297,681)
9	Adjustment for securities financing transactions (SFTs)	(203,742)
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	136,597
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	(84,121)
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-
12	Other adjustments	430,872
13	**Total exposure measure**	**726,614**

Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures) (EU LR3)

€ million		31.12.2023
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	367,975
EU-2	Trading book exposures	59,446
EU-3	Banking book exposures, of which:	308,529
EU-4	Covered bonds	-
EU-5	Exposures treated as sovereigns	111,111
EU-6	Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	3,259
EU-7	Institutions	21,575
EU-8	Secured by mortgages of immovable properties	310
EU-9	Retail exposures	14,839
EU-10	Corporates	133,023
EU-11	Exposures in default	3,989
EU-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	20,422

3.1.6.3 INTERNAL VIEW OF CAPITAL ADEQUACY

In the interest of assessing and maintaining capital adequacy at all times in order to cover the risks to which it is (or may be) exposed, Crédit Agricole CIB supplements the regulatory view of its capital adequacy system with an internal view of capital adequacy. Accordingly, the measurement of regulatory capital requirement (Pillar 1) is expanded with a measurement of economic capital requirement (Pillar 2), which is based on the risk identification process and an assessment using an internal approach. The economic capital requirement must be covered by internal capital, i.e. the internal view of available capital defined by Crédit Agricole Group.

The assessment of economic capital requirement is one of the components of the ICAAP (Internal Capital Adequacy Assessment Process), which also covers the stress test programme in order to introduce a forward-looking view of the impact of more adverse scenarios on Crédit Agricole CIB's risk level and solvency.

The oversight and management of capital adequacy from an internal perspective are developed in accordance with the interpretation of the main regulatory texts:

- the Basel agreements;
- CRD 5 via its transposition into French regulations by the Order of 21 December 2020;
- the European Banking Authority guidelines;
- the regulatory requirements for the ICAAP and ILAAP and the harmonised collection of associated information.

ICAAP information (EU OVC)

The following items meet the disclosure requirements of Article 438 (points a and c) of CRR2.

Crédit Agricole Group has implemented a system for measuring economic capital requirement at the level of the Crédit Agricole Group, Crédit Agricole S.A. and the Group's main French and foreign entities.

The process for the identification of major risks aims, initially, to record, as comprehensively as is possible, all the risks that may impact the balance sheet, income statement, regulatory ratios or the reputation of a particular entity or of the Group and to classify them into categories and sub-categories, using the same terms as those used for the whole of Crédit Agricole Group. Secondly, the

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objective is to assess the importance of these risks systematically and comprehensively in order to identify the major risks.

The risk identification process involves multiple sources: an internal analysis based on information collected from the Risk function and other control functions, supplemented by an analysis based on external data. It is formalised for each entity and for Crédit Agricole Group, coordinated by the Risk function and approved by the Board of Directors.

For each of the major risks identified, the economic capital requirement is quantified as follows:

- the risk measures already addressed by Pillar 1 are reviewed and, where applicable, supplemented by economic capital adjustments based on internal approaches;
- the economic capital requirements in relation to risks that are not addressed by Pillar 1 are specifically calculated, based on internal approaches.

The consistency of all methodologies used to measure economic capital requirement is ensured by specific governance within Crédit Agricole Group.

The measurement of economic capital requirement is supplemented by a projection for the current year, in line with capital planning forecasts at that date, in order to incorporate the impact of changes in activity on the risk profile.

The list of major risks is updated and approved annually. The main risk groups are:

- credit risks;
- financial risks, including in particular market risks and interest rate and foreign exchange risks in the banking book;
- operational risks; and
- other risks, including activity risk and climate and environmental risks.

At 31 December 2023, the economic capital requirements relating to risks subject to quantification at Crédit Agricole CIB level are covered by internal capital.

Crédit Agricole S.A. entities subject to the measurement of economic capital requirement within their scope are responsible for its deployment in accordance with the standards and methodologies defined by the Group. In particular, they must ensure that the system for measuring economic capital requirement is subject to appropriate organisation and governance. The economic capital requirement determined by the entities is reported in detail to Crédit Agricole S.A.

In addition to the quantitative aspect, the Group's approach also has a qualitative component that supplements the measurement of economic capital requirement with indicators on the exposure to risk and the permanent controls carried out by business lines. The qualitative component has three objectives:

- to assess the risk management and control system of the entities in the scope of deployment in various areas;
- if necessary, to identify and formalise areas in which the risk management and permanent control system may be improved;
- to identify any items that have not been correctly analysed by the quantitative ICAAP measurements.

3.1.7 Note on regulatory capital

▶ Differences in the treatment of equity investments between the accounting and prudential scopes

Type of investment	Accounting treatment	Fully loaded Basel III regulatory capital treatment
Subsidiaries with a financial activity	Fully consolidated	Fully consolidated, generating capital requirements for the subsidiary's operations.
Jointly held subsidiaries with a financial activity	Equity method	Proportionate consolidation.
Subsidiaries with an insurance activity	Fully consolidated	CET1 instruments held in more than 10%-owned entities are deducted from CET1 capital, above the exemption limit of 17.65% of CET1 capital. This exemption, which is applied after determining the 10% threshold, is combined with the non-deducted share of deferred tax assets that rely on future profitability arising from temporary differences.
		AT1 and T2 instruments are deducted from AT1 capital and T2 capital, respectively.
Investments > 10% with a financial activity by type	Equity method Investments in credit institutions	The equity-accounted amount of investments in more than 10%-owned entities is deducted from CET1 capital, above the exemption limit of 17.65% of CET1 capital. This exemption, which is applied after determining the 10% threshold, is combined with the non-deducted share of deferred tax assets that rely on future profitability arising from temporary differences.
		AT1 and T2 instruments are deducted from AT1 capital and T2 capital, respectively.
Investments ≤ 10% or less with a financial or insurance activity	Available-for-sale equity investments and securities	CET1, AT1 and T2 instruments held in 10% or less-owned entities are deducted from CET1 capital, above the exemption limit of 10% of CET1 capital.
ABCP (Asset-Backed Commercial Paper) securitisation vehicles	Full consolidation	The equity-accounted amount and commitments on these entities are risk-weighted (liquidity facilities and letters of credit).

▶ Outline of the differences in the scopes of consolidation (LI3: entity by entity) (1)

Name of the entity	Method of accounting consolidation	Method of regulatory consolidation			Description of the entity
		Full consolidation	Proportional consolidation	Equity method	
UBAF	Equity-method		X		FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
CAIRS Assurance S.A.	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Insurance
Atlantic Asset Securitization LLC	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
LMA SA	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
Héphaïstos Multidevises FCT	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
Eucalyptus FCT	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
Pacific USD FCT	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
Pacific EUR FCC	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
Pacific IT FCT	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
Triple P FCC	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
La Fayette Asset Securitization LLC	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
La Route Avance	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
L&E Services	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
DEMETR COMPARTIMENT JA 202	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
DEMETR COMPARTIMENT TS EU	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
DEMETR COMPARTMENT GL-2023	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
Crédit Agricole Securities (USA) Inc	Unconsoli-dated	X			FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds

(1) The scope of consolidation is fully described in Note 12 to the consolidated financial statements.

3.2 Composition and changes in risk-weighted assets

3.2.1 Overview of risk-weighted assets

The overall solvency ratio, as presented in the prudential ratio table, is equal to the ratio of the total capital to the sum of the credit, market and operational risk-weighted exposures.

The capital requirements set out below by type of risk, method and exposure class (for credit risk) are equal to 8% (regulatory minimum) of the weighted exposures (average risk weight equivalent) presented in the prudential ratio table.

3.2.1.1 OVERVIEW OF RISK WEIGHTED EXPOSURE AMOUNTS (OV1)

Credit, market and operational risk-weighted assets amounted to €137.2 billion at 31 December 2023, compared with €141.7 billion at 31 December 2022.

		Risk weighted exposure amounts (RWAs)			Total own funds requirements
€ million		31.12.2023	30.09.2023	31.12.2022	31.12.2023
1	**Credit risk (excluding CCR)**	**77,560**	**78,631**	**77,990**	**6,205**
2	Of which the standardised approach	8,843	9,585	8,122	707
3	Of which the Foundation IRB (F-IRB) approach	1,645	1,702	1,750	132
4	Of which slotting approach	-	-	-	-
EU 4a	Of which equities under the simple risk weighted approach	1,215	1,196	1,093	97
5	Of which the Advanced IRB (A-IRB) approach	65,289	65,596	66,432	5,223
6	**Counterparty credit risk - CCR**	**20,541**	**21,371**	**19,740**	**1,643**
7	Of which the standardised approach 1	821	816	878	66
8	Of which internal model method (IMM)	10,999	11,685	11,895	880
EU 8a	Of which exposures to a CCP	733	413	349	59
EU 8b	Of which credit valuation adjustment - CVA	4,667	4,506	4,364	373
9	Of which other CCR	3,321	3,951	2,253	266
15	**Settlement risk**	**4**	**27**	**91**	**0**
16	**Securitisation exposures in the non-trading book (after the cap)**	**8,337**	**8,249**	**9,995**	**667**
17	Of which SEC-IRBA approach	2,148	2,227	3,409	172
18	Of which SEC-ERBA (including IAA)	5,183	5,165	5,622	415
19	Of which SEC-SA approach	1,007	858	965	81
EU 19a	Of which 1250% / deduction	-	-	-	-
20	**Position, foreign exchange and commodities risks (Market risk)**	**8,560**	**9,789**	**11,726**	**685**
21	Of which the standardised approach	820	748	452	66
22	Of which IMA	7,740	9,041	11,274	619
EU 22a	**Large exposures**	**-**	**-**	**-**	**-**
23	**Operational risk**	**22,234**	**22,339**	**22,156**	**1,779**
EU 23a	Of which basic indicator approach	-	-	-	-
EU 23b	Of which standardised approach	679	659	594	54
EU 23c	Of which advanced measurement approach	21,555	21,680	21,562	1,724
24	Amounts below the thresholds for deduction (subject to 250% risk weight)	1,135	1,241	1,256	91
29	**Total**	**137,235**	**140,405**	**141,699**	**10,979**

[1] Following the implementation of the of regulation (UE) n°2019/876 (CRR2) since June 30, 2021, exposure to derivatives previously modelled using the CEM method are now assessed using the SA-CCR standard approach.

3.2.1.2 CHANGES IN RISK-WEIGHTED ASSETS

The table below shows the changes in Crédit Agricole CIB group's risk-weighted assets in 2023.

€ million	31.12.2022	Foreign exchange	Volume variation	Portfolio impacts	Model and regulations impacts	Total change 2023	31.12.2023
Credit and counterparty risks	107,725	(1,445)	2,619	(2,232)	(230)	(1,287)	106,438
Of which CVA	4,364	-	603	-	(300)	303	4,667
Market risk	11,817	-	(2,373)	-	(880)	(3,253)	8,564
Operational risk	22,156	-	78	-	-	78	22,234
Total	**141,699**	**(1,445)**	**323**	**(2,232)**	**(1,110)**	**(4,463)**	**137,235**

Risk-weighted assets stood at €137.2 billion, down -€4.5 billion in 2023.

This change can mainly be attributed to:

- the exchange rate impacts for -€1.5 billion, mainly due to the appreciation of USD against EUR;
- the -€3.0 billion change at constant rates attributable mainly to:
  - an increase in credit and counterparty risk excluding CVA (+€2.0 billion);
  - regulatory and model effects for -€1.1 billion mainly in the first half of 2023, with the combined effects of the Banks TRIM and the implementation of the new LGD Corporate Unsecured model;
  - portfolio rating effects on credit risk (-€2.2 billion) including the impact of default amortisation (-€1.2 billion);
  - a decline in market risks (-€2.4 billion) associated with a return to pre-Russia/Ukraine conflict levels.

3.2.2 Credit and counterparty risks

Definitions:

- probability of default (PD): the probability that a counterparty will default within a period of one year;
- loss given default (LGD): the ratio between the loss incurred upon counterparty default and the amount of the exposure at the time of default;
- gross exposures: the amount of exposure (on and off-balance sheet) before the use of credit risk mitigation techniques and before the use of the credit conversion factor (CCF);
- exposures given default (EAD): the amount of exposure (on and off-balance sheet) after the use of credit risk mitigation techniques and after the use of the credit conversion factor (CCF);
- credit conversion factor (CCF): ratio reflecting, at the time of default, the percentage of the outstanding not drawn down one year before the default;
- risk-weighted assets (RWA): exposure at default (EAD) after application of a weighting coefficient;
- valuation adjustments: impairment losses on a specific asset due to credit risk, recognised either through a partial write-down or a deduction from the carrying amount of the asset;
- external credit ratings: credit ratings established by an external credit rating agency recognised by the ECB.

In Section I, a general view of the change in credit and counterparty risk is presented followed by a more detailed point on the credit risk in Section II, by type of prudential method: in standard type of method and in IRB method. The counterparty risk is treated in Section III followed by Section IV devoted to credit and counterparty risk mitigation mechanisms.

3.2.2.1 GENERAL PRESENTATION OF CREDIT AND COUNTERPARTY RISK

▶ Exposure by type of risk

The table below shows the Crédit Agricole CIB group's exposure to overall risk (credit, counterparty, dilution and settlement/delivery) by exposure class, under the standardised approach and the IRB approach at 31 December 2023 and 31 December 2022.

The 16 exposure classes under the standardised approach are combined to ensure a consistent presentation with IRB exposures.

▶ Gross exposure and exposure at default (EAD) to overall risk (credit, counterparty, dilution and settlement/delivery) at 31 December 2023

	31.12.2023												
	Standardised				IRB				Total				
€ million	Gross exposure[1]	Gross exposure after CRM[2]	EAD	RWA	Gross exposure[1]	Gross exposure after CRM[2]	EAD	RWA	Gross exposure[1]	Gross exposure after CRM[2]	EAD	RWA	Capital requirement
Central governments or central banks	1,371	1,374	1,338	842	129,613	148,809	144,270	2,232	130,984	150,182	145,608	3,074	246
Institutions	12,602	27,762	27,503	1,046	101,384	107,666	96,395	10,297	113,987	135,428	123,898	11,343	907
Corporates	19,231	4,008	3,103	3,061	325,855	282,459	229,721	68,409	345,086	286,467	232,823	71,470	5,718
Retail customers	644	591	532	392	14,488	14,488	14,488	802	15,132	15,079	15,020	1,194	96
Loans to individuals	601	549	493	370	12,842	12,842	12,842	668	13,443	13,391	13,335	1,038	83
o/w secured by real estate assets	-	-	-	-	-	-	-	-	-	-	-	-	-
o/w revolving	-	-	-	-	-	-	-	-	-	-	-	-	-
o/w other	601	549	493	370	12,842	12,842	12,842	668	13,443	13,391	13,335	1,038	83
Loans to small and medium businesses	43	42	39	22	1,646	1,646	1,646	134	1,689	1,688	1,685	156	12
o/w secured by real estate assets	-	-	-	-	-	-	-	-	-	-	-	-	-
o/w other	43	42	39	22	1,646	1,646	1,646	134	1,689	1,688	1,685	156	12
Shares	99	99	99	100	596	596	531	1,721	695	695	630	1,821	146
Securitisations	5,597	5,597	5,597	1,007	51,568	51,557	51,557	7,330	57,165	57,154	57,154	8,337	667
Assets other than credit obligation	4,195	4,195	4,193	3,947	17	17	17	62	4,211	4,211	4,209	4,008	321
TOTAL	**43,740**	**43,626**	**42,365**	**10,395**	**623,521**	**605,591**	**536,978**	**90,853**	**667,261**	**649,217**	**579,343**	**101,248**	**8,100**

[1] *Initial gross exposure.*
[2] *Gross exposure after credit risk mitigation (CRM).*

	31.12.2022												
	Standardised				IRB				Total				
€ million	Gross exposure[1]	Gross exposure after CRM[2]	EAD	RWA	Gross exposure[1]	Gross exposure after CRM[2]	EAD	RWA	Gross exposure[1]	Gross exposure after CRM[2]	EAD	RWA	Capital requirement
Central governments or central banks	1,142	1,143	1,109	889	130,815	150,354	146,660	1,995	131,957	151,498	147,769	2,884	231
Institutions	11,600	32,495	32,231	930	103,093	111,255	105,790	11,039	114,692	143,750	138,021	11,968	957
Corporates	24,517	3,531	2,760	2,679	311,023	257,211	216,637	69,378	335,540	260,743	219,397	72,056	5,764
Retail customers	311	245	245	184	15,579	15,612	15,612	645	15,890	15,857	15,857	828	66
Loans to individuals	311	245	245	184	14,174	14,207	14,207	586	14,485	14,453	14,453	770	62
o/w secured by real estate assets	-	-	-	-	-	-	-	-	-	-	-	-	-
o/w revolving	-	-	-	-	-	-	-	-	-	-	-	-	-
o/w other	311	245	245	184	14,174	14,207	14,207	586	14,485	14,453	14,453	770	62
Loans to small and medium businesses	0	-	-	-	1 ,404	1,404	1,404	59	1,405	1,404	1,404	59	5
o/w secured by real estate assets	-	-	-	-	-	-	-	-	-	-	-	-	-
o/w other	0	-	-	-	1,404	1,404	1,404	59	1,405	1,404	1,404	59	5
Shares	109	109	109	110	580	580	526	1,669	689	689	635	1,779	142
Securitisations	5,631	4,971	4,971	965	55,484	55,461	55,461	9,031	61,116	60,432	60,432	9,995	800
Assets other than credit obligation	4,181	4,181	4,181	3,679	17	17	17	17	4,198	4,198	4,197	3,696	296
TOTAL	**47,492**	**46,676**	**45,606**	**9,435**	**616,590**	**590,490**	**540,702**	**93,772**	**664,082**	**637,166**	**586,308**	**103,207**	**8,257**

[1] *Initial gross exposure*
[2] Gross exposure after credit risk mitigation (CRM)

▶ Credit quality of forborne exposures (CQ1)

		31.12.2023							
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forbone exposures	
			Non-performing Forborne						
€ million		Per-forming Forborne		Of which defaulted	of which impaired	On performing Forborne exposures	On non-performing Forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
005	**Cash balances at central banks and other demand deposits**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
010	**Loans and advances**	**1,570**	**1,906**	**1,905**	**1,905**	**(96)**	**(701)**	**1,041**	**491**
020	*Central banks*	0	-	-	-	-	-	-	-
030	*General governments*	11	3	3	3	(0)	(3)	-	-
040	*Credit institutions*	-	46	46	46	-	(27)	-	-
050	*Other financial corporations*	-	-	-	-	-	-	-	-
060	*Non-financial corporations*	1,555	1,855	1,855	1,855	(96)	(671)	1,037	491
070	*Households*	4	1	0	0	-	-	4	-
080	**Debt securities**	**-**	**2**	**2**	**-**	**-**	**-**	**-**	**-**
090	**Loan commitments given**	**221**	**86**	**86**	**86**	**(17)**	**(12)**	**91**	**25**
100	**TOTAL**	**1,791**	**1,994**	**1,993**	**1,991**	**(113)**	**(712)**	**1,132**	**516**

		31.12.2022							
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forbone exposures	
			Non-performing Forborne						
€ million		Per-forming Forborne		Of which defaulted	of which impaired	On performing Forborne exposures	On non-performing Forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
005	**Cash balances at central banks and other demand deposits**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
010	**Loans and advances**	**1,586**	**2,179**	**2,178**	**2,178**	**(100)**	**(751)**	**1,720**	**864**
020	Central banks	0	-	-	-	-	-	-	-
030	General governments	15	3	3	3	(1)	(3)	-	-
040	Credit institutions	-	46	46	46	-	(26)	-	-
050	Other financial corporations	-	-	-	-	-	-	-	-
060	Non-financial corporations	1,570	2,128	2,128	2,128	(99)	(721)	1,719	864
070	Households	2	2	1	1	-	-	2	-
080	**Debt securities**	**-**	**4**	**4**	**-**	**-**	**-**	**-**	**-**
090	**Loan commitments given**	**213**	**34**	**34**	**34**	**(11)**	**(9)**	**107**	**5**
100	**TOTAL**	**1,799**	**2,217**	**2,216**	**2,212**	**(112)**	**(760)**	**1,828**	**869**

Credit quality of performing and non-performing exposures by past due days (CQ3)

	31.12.2023											
	Gross carrying amount/nominal amount											
	Performing exposures			Non-performing exposures								
€ million	Total	Not past due or past due ≤30 days	Past due >30 days ≤90 days		Unlikely to pay that are not past-due or past-due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 year ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted
Cash balances at central banks and other demand deposits	**84,000**	**84,000**	**-**	**17**	**-**	**-**	**-**	**-**	**17**	**-**	**-**	**17**
Loans and advances	**217,217**	**216,585**	**632**	**4,280**	**1,821**	**195**	**171**	**478**	**240**	**175**	**1,200**	**4,280**
Central banks	2,549	2,549	-	-	-	-	-	-	-	-	-	-
General governments	8,948	8,948	-	39	0	-	-	8	0	6	26	39
Credit institutions	47,995	47,995	-	462	1	-	-	37	-	-	425	462
Other financial corporations	4,775	4,773	1	304	0	1	-	-	25	-	278	304
Non-financial corporations	142,792	142,162	630	3,329	1,806	195	158	354	192	161	463	3,329
Of which SMEs	776	776	-	4	3	-	-	-	-	-	1	4
Households	10,158	10,158	-	146	14	-	13	80	23	9	8	146
Debt Securities	**37,613**	**37,380**	**233**	**28**	**2**	**-**	**-**	**-**	**-**	**-**	**26**	**28**
Central banks	4,506	4,506	-	-	-	-	-	-	-	-	-	-
General governments	20,231	20,231	-	0	0	-	-	-	-	-	-	0
Credit institutions	4,776	4,776	-	-	-	-	-	-	-	-	-	-
Other financial corporations	4,909	4,676	233	-	-	-	-	-	-	-	-	-
Non-financial corporations	3,191	3,191	-	28	2	-	-	-	-	-	26	28
Off-balance sheet exposures	**365,813**	**-**	**-**	**777**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**777**
Central banks	9,329	-	-	-	-	-	-	-	-	-	-	-
General governments	17,052	-	-	-	-	-	-	-	-	-	-	-
Credit institutions	58,492	-	-	28	-	-	-	-	-	-	-	28
Other financial corporations	89,521	-	-	1	-	-	-	-	-	-	-	1
Non-financial corporations	188,602	-	-	748	-	-	-	-	-	-	-	748
Households	2,816	-	-	0	-	-	-	-	-	-	-	0
TOTAL	**704,643**	**337,966**	**864**	**5,102**	**1,823**	**195**	**171**	**478**	**257**	**175**	**1,225**	**5,102**

5

	31.12.2022											
	Gross carrying amount/nominal amount											
	Performing exposures			Performing exposures								
€ million	Total	Not past due or past due ≤30 days	Past due >30 days ≤90 days	Total	Unlikely to pay that are not past-due or past-due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 year ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which de-faulted
Cash balances at central banks and other demand deposits	**85,268**	**85,268**	**-**	**17**	**-**	**-**	**-**	**-**	**17**	**-**	**-**	**17**
Loans and advances	**232,617**	**231,792**	**825**	**5,339**	**2,122**	**203**	**915**	**134**	**685**	**119**	**1,161**	**5,339**
Central banks	1,118	1,118	-	-	-	-	-	-	-	-	-	-
General governments	8,984	8,984	-	148	-	-	111	-	12	-	24	148
Credit institutions	54,375	54,375	-	477	41	-	1	-	-	-	434	477
Other financial corporations	5,247	5,234	14	317	24	-	-	-	-	-	292	317
Non-financial corporations	151,376	150,565	811	4,259	1,982	190	799	132	639	112	405	4,259
Of which SMEs	541	541	-	9	6	-	-	-	-	-	3	9
Households	11,516	11,516	-	139	74	13	3	2	34	7	6	139
Debt Securities	**34,825**	**34,805**	**20**	**30**	**4**	**-**	**-**	**-**	**-**	**-**	**26**	**30**
Central banks	4,298	4,298	-	-	-	-	-	-	-	-	-	-
General governments	19,543	19,543	-	-	-	-	-	-	-	-	-	-
Credit institutions	4,749	4,749	-	1	-	-	-	-	-	-	1	1
Other financial corporations	3,284	3,264	20	-	-	-	-	-	-	-	-	-
Non-financial corporations	2,952	2,952	-	29	4	-	-	-	-	-	25	29
Off-balance sheet exposures	**320,844**	**-**	**-**	**679**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**679**
Central banks	4,669	-	-	-	-	-	-	-	-	-	-	-
General governments	17,843	-	-	-	-	-	-	-	-	-	-	-
Credit institutions	46,326	-	-	1	-	-	-	-	-	-	-	1
Other financial corporations	80,845	-	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	168,733	-	-	678	-	-	-	-	-	-	-	678
Households	2,427	-	-	-	-	-	-	-	-	-	-	-
TOTAL	**673,554**	**351,865**	**845**	**6,066**	**2,126**	**203**	**915**	**134**	**702**	**119**	**1,188**	**6,066**

▶ Performing and non-performing exposures and related provisions (CR1)

	31.12.2023														
	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
€ million		Of which Bucket 1	Of which Bucket 2		Of which Bucket 2	Of which Bucket 3		Of which Bucket 1	Of which Bucket 2		Of which Bucket 2	Of which Bucket 3			
Cash balances at central banks and other demand deposits	**84,000**	**83,999**	**1**	**17**	**-**	**17**	**(1)**	**(1)**	**(0)**	**(17)**	**-**	**(17)**	**-**	**-**	**-**
Loans and advances	**217,217**	**199,774**	**17,443**	**4,280**	**-**	**4,280**	**(814)**	**(214)**	**(600)**	**(2,125)**	**-**	**(2,125)**	**-**	**95,972**	**1,231**
Central banks	2,549	2,485	64	-	-	-	(6)	(0)	(6)	-	-	-	-	2,263	-
General governments	8,948	7,893	1,055	39	-	39	(9)	(5)	(4)	(37)	-	(37)	-	5,034	-
Credit institutions	47,995	47,894	101	462	-	462	(15)	(15)	(0)	(362)	-	(362)	-	3,318	-
Other financial corporations	4,775	4,772	2	304	-	304	(1)	(1)	(0)	(294)	-	(294)	-	3,557	1
Non-financial corporations	142,792	126,617	16,176	3,329	-	3,329	(780)	(192)	(589)	(1,412)	-	(1,412)	-	75,074	1,125
Of which SMEs	776	737	39	4	-	4	(1)	(1)	(0)	(2)	-	(2)	-	420	-
Households	10,158	10,112	46	146	-	146	(4)	(2)	(1)	(20)	-	(20)	-	6,725	106
Debt Securities	**37,613**	**37,348**	**233**	**28**	**-**	**26**	**(17)**	**(17)**	**(1)**	**(26)**	**-**	**(26)**	**-**	**340**	**-**
Central banks	4,506	4,506	-	-	-	-	(0)	(0)	-	-	-	-	-	-	-
General governments	20,231	20,231	0	0	-	0	(11)	(11)	-	-	-	-	-	-	-
Credit institutions	4,776	4,764	-	-	-	-	(2)	(2)	-	-	-	-	-	-	-
Other financial corporations	4,909	4,671	233	-	-	-	(3)	(2)	(1)	-	-	-	-	328	-
Non-financial corporations	3,191	3,177	-	28	-	26	(1)	(1)	-	(26)	-	(26)	-	12	-
Off-balance sheet exposures	**365,813**	**355,206**	**10,607**	**777**	**-**	**777**	**(329)**	**(140)**	**(189)**	**(153)**	**-**	**(153)**	**-**	**56,993**	**70**
Central banks	9,329	9,329	-	-	-	-	(0)	(0)	-	-	-	-	-	-	-
General governments	17,052	16,089	963	-	-	-	(16)	(5)	(11)	-	-	-	-	4,116	-
Credit institutions	58,492	58,341	151	28	-	28	(14)	(14)	(0)	(0)	-	(0)	-	929	-
Other financial corporations	89,521	89,050	471	1	-	1	(6)	(4)	(2)	(0)	-	(0)	-	2,520	-
Non-financial corporations	188,602	179,593	9,009	748	-	748	(291)	(116)	(175)	(152)	-	(152)	-	49,347	70
Households	2,816	2,804	12	0	-	0	(1)	(1)	(0)	(0)	-	(0)	-	81	-
TOTAL	**704,643**	**676,327**	**28,284**	**5,102**	**-**	**5,100**	**(1,162)**	**(372)**	**(789)**	**(2,320)**	**-**	**(2,320)**	**-**	**153,305**	**1,302**

5

€ million	31.12.2022														
	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
		Of which Bucket 1	Of which Bucket 2		Of which Bucket 2	Of which Bucket 3		Of which Bucket 1	Of which Bucket 2		Of which Bucket 2	Of which Bucket 3			
Cash balances at central banks and other demand deposits	**85,268**	**85,264**	**4**	**17**	**-**	**17**	**(3)**	**(1)**	**(3)**	**(17)**	**-**	**(17)**	**-**	**46**	**-**
Loans and advances	**232,617**	**213,683**	**18,772**	**5,339**	**-**	**5,339**	**(953)**	**(215)**	**(738)**	**(2,452)**	**-**	**(2,452)**	**-**	**86,733**	**1,889**
Central banks	1,118	1,087	31	-	-	-	(15)	-	(15)	-	-	-	-	-	-
General governments	8,984	8,301	684	148	-	148	(9)	(6)	(3)	(35)	-	(35)	-	3,509	107
Credit institutions	54,375	54,317	58	477	-	477	(16)	(12)	(4)	(366)	-	(366)	-	5,587	-
Other financial corporations	5,247	5,204	43	317	-	317	(2)	(2)	(0)	(308)	-	(308)	-	1,920	-
Non-financial corporations	151,376	133,333	17,882	4,259	-	4,259	(910)	(194)	(716)	(1,725)	-	(1,725)	-	67,972	1,776
Of which SMEs	541	516	25	9	-	9	(2)	(1)	-	(5)	-	(5)	-	255	-
Households	11,516	11,442	74	139	-	139	(2)	(1)	(1)	(18)	-	(18)	-	7,745	6
Debt Securities	**34,825**	**34,772**	**20**	**30**	**-**	**26**	**(12)**	**(12)**	**-**	**(26)**	**-**	**(26)**	**-**	**-**	**-**
Central banks	4,298	4,298	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	19,543	19,543	-	-	-	-	(9)	(9)	-	-	-	-	-	-	-
Credit institutions	4,749	4,746	-	1	-	1	(2)	(2)	-	(1)	-	(1)	-	-	-
Other financial corporations	3,284	3,243	20	-	-	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	2,952	2,943	-	29	-	25	(1)	(1)	-	(25)	-	(25)	-	-	-
Off-balance sheet exposures	**320,844**	**310,837**	**10,006**	**679**	**-**	**679**	**(334)**	**(147)**	**(187)**	**(114)**	**-**	**(114)**	**-**	**18,517**	**67**
Central banks	4,669	4,669	-	-	-	-	(0)	(0)	-	-	-	-	-	-	-
General governments	17,843	17,048	795	-	-	-	(5)	(2)	(3)	-	-	-	-	2,380	-
Credit institutions	46,326	46,195	131	1	-	1	(12)	(12)	-	-	-	-	-	113	-
Other financial corporations	80,845	80,772	73	-	-	-	(8)	(4)	(4)	-	-	-	-	411	-
Non-financial corporations	168,733	159,744	8,990	678	-	678	(308)	(128)	(180)	(114)	-	(114)	-	15,614	67
Households	2,427	2,410	17	-	-	-	(1)	(0)	(0)	-	-	-	-	-	-
TOTAL	**673,554**	**644,557**	**28,802**	**6,066**	**-**	**6,062**	**(1,302)**	**(375)**	**(928)**	**(2,610)**	**-**	**(2,610)**	**-**	**105,296**	**1,956**

Changes in the stock of non-performing loans and advances (CR2)

€ million		31.12.2023 Gross carrying account
1	**Initial stock of non-performing loans and advances (31.12.2022)**	**5,339**
2	Inflows to non-performing portfolios	945
3	Outflows from non-performing portfolios	(2,005)
4	Outflows due to write-offs	-
5	Outflow due to other situations	-
6	**Final stock of non-performing loans and advances (31.12.2023)**	**4,280**

€ million		31.12.2022 Gross carrying account
1	**Initial stock of non-performing loans and advances (31.12.2021)**	**4,271**
2	Inflows to non-performing portfolios	1,865
3	Outflows from non-performing portfolios	(796)
4	Outflows due to write-offs	-
5	Outflow due to other situations	-
6	**Final stock of non-performing loans and advances (31.12.2022)**	**5,339**

Collateral obtained by taking possession and execution processes (CQ7)

		31.12.2023 Collateral obtained by taking possession		31.12.2022 Collateral obtained by taking possession	
€ million		Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes
010	Property, plant and equipment (PP&E)	-	-	-	-
020	Other than PP&E	-	-	-	-
030	Residential immovable property	-	-	-	-
040	Commercial Immovable property	-	-	-	-
050	Movable property (auto, shipping, etc.)	-	-	-	-
060	Equity and debt instruments	-	-	-	-
070	Other	-	-	-	-
080	**TOTAL**	**-**	**-**	**-**	**-**

▶ Quality of non-performing exposures by geography (CQ4)

		31.12.2023							
		Gross carrying/nominal amount					Provisions on off-balance sheet commitments and financial guarantee given	Accumulated negative charges in fair value due to credit risk on non-performing exposures	
			of which non performing						
	€ million			of which: defaulted	of which: subject to impairment	Accumulated impairment			
10	**On balance sheet exposures**	**259,138**	**4,307**	**4,307**	**259,104**	**(2,982)**	**-**	**-**	**-**
20	**Europe**	**158,658**	**2,053**	**2,053**	**158,642**	**(1,416)**	**-**	**-**	**-**
	France	80,263	846	846	80,253	(412)	-	-	-
	Italy	12,048	229	229	12,046	(213)	-	-	-
	United Kingdom	11,771	59	59	11,771	(67)	-	-	-
	Luxembourg	11,145	90	90	11,144	(63)	-	-	-
	Russia	1,386	306	306	1,386	(322)	-	-	-
	Others (Europe)	42,045	522	522	42,043	(339)	-	-	-
30	**Asia and Oceania**	**38,754**	**391**	**391**	**38,753**	**(222)**	**-**	**-**	**-**
	Japan	6,672	-	-	6,672	(11)	-	-	-
	Singapore	6,642	125	125	6,641	(119)	-	-	-
	Hong Kong	5,130	29	29	5,130	(7)	-	-	-
	Others (Asia and oceania)	20,310	237	237	20,310	(86)	-	-	-
40	**North America**	**34,100**	**266**	**266**	**34,097**	**(291)**	**-**	**-**	**-**
	United States	29,276	184	184	29,273	(215)	-	-	-
	Other (North America)	4,824	82	82	4,824	(76)	-	-	-
50	**South and central America**	**11,962**	**1,059**	**1,059**	**11,948**	**(627)**	**-**	**-**	**-**
60	**Africa and Middle East**	**15,534**	**538**	**538**	**15,534**	**(427)**	**-**	**-**	**-**
	Qatar	4,984	-	-	4,984	(2)	-	-	-
	Saudi Arabia	2,060	64	64	2,060	(65)	-	-	-
	Other (Africa and Middle East)	8,490	475	475	8,490	(360)	-	-	-
70	**Other countries**	**130**	**-**	**-**	**130**	**(0)**	**-**	**-**	**-**
80	**Off balance sheet exposures**	**366,590**	**777**	**777**	**-**	**-**	**482**	**-**	**-**
90	**Europe**	**235,889**	**560**	**560**	**-**	**-**	**270**	**-**	**-**
	France	117,100	99	99	-	-	53	-	-
	United Kingdom	29,735	-	-	-	-	20	-	-
	Luxembourg	18,271	-	-	-	-	6	-	-
	Germany	17,214	5	5	-	-	14	-	-
	Italy	11,930	0	0	-	-	11	-	-
	Switzerland	6,257	0	0	-	-	1	-	-
	Others (Europe)	35,382	455	455	-	-	165	-	-
100	**Asia and Oceania**	**27,915**	**117**	**117**	**-**	**-**	**19**	**-**	**-**
	Japan	7,124	-	-	-	-	1	-	-
	Singapore	5,315	1	1	-	-	1	-	-
	Others (Asia and Oceania)	15,476	116	116	-	-	18	-	-
110	**North America**	**88,983**	**70**	**70**	**-**	**-**	**142**	**-**	**-**
	United States	84,723	52	52	-	-	137	-	-
	Other (North America)	4,260	18	18	-	-	5	-	-
120	**South and central America**	**5,691**	**10**	**10**	**-**	**-**	**25**	-	-
130	**Africa and Middle East**	**8,111**	**22**	**22**	**-**	**-**	**25**	**-**	**-**
140	**Other countries**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
150	**TOTAL**	**625,728**	**5,085**	**5,085**	**259,104**	**(2,982)**	**482**	-	**-**

The CQ4 statement (quality of non-performing exposures by geographic location) replaces the RC1-C statement (credit quality of exposures by geographic region) within the framework of the application of Regulation (EU) n ° 2019/876 (CRR2) since 30 June 2021.

The CQ4 report distinguishes the balance sheet from the Off Balance Sheet, unlike CR1-C.

On the CQ4 report, "Cash balances at central banks and other demand deposits" were removed from the scope of the balance sheet exposure line to follow the FINREP 2021 presentation which changed from 30 June 2021.

		31.12.2022							
		Gross carrying/nominal amount					Provisions on off-balance sheet commitments and financial guarantee given	Accumulated negative charges in fair value due to credit risk on non-performing exposures	
			of which non performing						
	€ million			of which: defaulted	of which: subject to impairment	Accumulated impairment			
10	**On balance sheet exposures**	**272,812**	**5,369**	**5,369**	**272,613**	**(3,443)**	**-**	**-**	**-**
20	**Europe**	**168,439**	**2,434**	**2,434**	**168,245**	**(1,715)**	**-**	**-**	**-**
	France	86,223	890	890	86,141	(456)	-	-	-
	United Kingdom	12,412	37	37	12,412	(69)	-	-	-
	Luxembourg	12,411	98	98	12,411	(64)	-	-	-
	Italy	12,103	229	229	11,994	(172)	-	-	-
	Russia	2,775	610	610	2,775	(489)	-	-	-
	Others (Europe)	42,515	569	569	42,512	(463)	-	-	-
30	**Asia and Oceania**	**43,001**	**675**	**675**	**43,001**	**(318)**	**-**	**-**	**-**
	Singapore	7,634	162	162	7,634	(143)	-	-	-
	Japan	6,268	183	183	6,268	(38)	-	-	-
	Hong Kong	5,799	-	-	5,799	(10)	-	-	-
	Others (Asia and oceania)	23,300	330	330	23,300	(128)	-	-	-
40	**North America**	**33,033**	**309**	**309**	**33,028**	**(238)**	**-**	**-**	**-**
	United States	28,084	228	228	28,079	(162)	-	-	-
	Other (North America)	4,949	81	81	4,949	(76)	-	-	-
50	**South and central America**	**12,302**	**1,359**	**1,359**	**12,302**	**(729)**	**-**	**-**	**-**
60	**Africa and Middle East**	**15,920**	**592**	**592**	**15,920**	**(443)**	**-**	**-**	**-**
	Qatar	4,831			4,831	(2)	-	-	-
	Saudi Arabia	3,051	68	68	3,051	(71)	-	-	-
	Other (Africa and Middle East)	8,037	524	524	8,037	(369)	-	-	-
70	**Other countries**	**116**	**-**	**-**	**116**	**-**	**-**	**-**	**-**
80	**Off balance sheet exposures**	**321,523**	**679**	**679**	**-**	**-**	**448**	**-**	**-**
90	**Europe**	**210,064**	**597**	**597**	**-**	**-**	**227**	**-**	**-**
	France	106,766	114	114	-	-	44	-	-
	United Kingdom	23,607	-	-	-	-	25	-	-
	Germany	15,647	1	1	-	-	13	-	-
	Luxembourg	14,467	3	3	-	-	25	-	-
	Italy	9,786	1	1	-	-	10	-	-
	Switzerland	8,574	2	2	-	-	7	-	-
	Others (Europe)	31,216	476	476	-	-	102	-	-
100	**Asia and Oceania**	**26,187**	**2**	**2**	**-**	**-**	**12**	**-**	**-**
	Singapour	5,180	2	2	-	-	1	-	-
	Japon	4,717	-	-	-	-	-	-	-
	Others (Asia and Oceania)	16,290	-	-	-	-	10	-	-
110	**North America**	**71,404**	**29**	**29**	**-**	**-**	**158**	**-**	**-**
	United States	67,190	-	-	-	-	147	-	-
	Other (North America)	4,214	29	29	-	-	11	-	-
120	**South and central America**	**5,310**	**11**	**11**	**-**	**-**	**33**	**-**	**-**
130	**Africa and Middle East**	**8,514**	**40**	**40**	**-**	**-**	**18**	**-**	**-**
140	**Other countries**	**44**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
150	**TOTAL**	**594,334**	**6,049**	**6,049**	**272,613**	**(3,443)**	**448**	**-**	**-**

5

▶ Credit quality of loans and advances to non-financial corporations by industry (CQ5)

		31.12.2023					
		Gross carrying amount					
			Of which: non-performing				
€ million				of which: defaulted	of which: loans and advances subject to impairment	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
010	Agriculture, forestry and fishing	661	90	90	661	(80)	-
020	Mining and quarrying	7,300	275	275	7,300	(267)	-
030	Manufacturing	32,690	315	315	32,690	(282)	-
040	Electricity, gas, steam and air conditioning supply	19,851	448	448	19,851	(208)	-
050	Water supply	972	-	-	972	(3)	-
060	Construction	3,953	120	120	3,953	(98)	-
070	Wholesale and retail trade	12,538	459	459	12,538	(365)	-
080	Transport and storage	20,862	905	905	20,862	(387)	-
090	Accommodation and food service activities	3,156	32	32	3,156	(50)	-
100	Information and communication	14,138	-	-	14,138	(60)	-
110	Financial and insurance activities	10,758	23	23	10,758	(24)	-
120	Real estate activities	9,644	304	304	9,644	(228)	-
130	Professional, scientific and technical activities	1,503	84	84	1,503	(25)	-
140	Administrative and support service activities	4,112	71	71	4,112	(34)	-
150	Public administration and defence, compulsory social security	73	-	-	73	(0)	-
160	Education	69	-	-	69	(1)	-
170	Human health services and social work activities	2,327	204	204	2,327	(73)	-
180	Arts, entertainment and recreation	250	-	-	250	(3)	-
190	Other services	1,265	0	0	1,265	(4)	-
200	**LOANS AND ADVANCES**	**146,121**	**3,329**	**3,329**	**146,121**	**(2,193)**	**-**

		31.12.2022					
		Gross carrying amount					
			Of which: non-performing				
€ million				of which: defaulted	of which: loans and advances subject to impairment	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
010	Agriculture, forestry and fishing	703	94	94	703	(78)	-
020	Mining and quarrying	10,708	462	462	10,708	(347)	-
030	Manufacturing	36,198	560	560	36,093	(563)	-
040	Electricity, gas, steam and air conditioning supply	21,351	144	144	21,351	(144)	-
050	Water supply	1,033	-	-	1,033	(4)	-
060	Construction	3,880	97	97	3,880	(57)	-
070	Wholesale and retail trade	13,003	350	350	13,003	(340)	-
080	Transport and storage	20,636	1,569	1,569	20,636	(510)	-
090	Accommodation and food service activities	3,254	203	203	3,254	(162)	-
100	Information and communication	11,420	49	49	11,420	(59)	-
110	Financial and insurance activities	15,206	16	16	15,206	(56)	-
120	Real estate activities	9,311	304	304	9,311	(190)	-
130	Professional, scientific and technical activities	1,758	-	-	1,758	(11)	-
140	Administrative and support service activities	3,383	126	126	3,326	(49)	-
150	Public administration and defence, compulsory social security	82	-	-	82	-	-
160	Education	53	-	-	53	(1)	-
170	Human health services and social work activities	2,224	276	276	2,224	(61)	-
180	Arts, entertainment and recreation	194	-	-	194	-	-
190	Other services	1,238	8	8	1,238	(1)	-
200	**LOANS AND ADVANCES**	**155,635**	**4,259**	**4,259**	**155,473**	**(2,635)**	**-**

Statement CQ5 (credit quality of loans and advances granted to non-financial corporations by industry) has replaced statement RC1-B (quality of credit exposures by sector or type of counterparty) for the purpose of applying Regulation (EU) No. 2019/876 (CRR2) since 30 June 2021.

Statement CQ5 presents balance sheet elements by business sector. It does not include debt securities or loans and receivables from central governments and central banks, credit institutions and households.

Maturity of exposures (CR1-A)

		31.12.2023					
€ million		Demand [1]	≤ 1 year	> 1 year ≤ 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	1,731	270,433	87,757	22,649	2	382,573
2	Debt securities	-	22,524	27,225	27,743	-	77,493
3	**TOTAL**	**1,731**	**292,957**	**114,982**	**50,392**	**2**	**460,065**

[1] *The configuration of the "On demand" column changed between first production and 31 December 2021. This column is now completed for the scope of loans and advances.*

		31.12.2022					
€ million		Demand	≤ 1 year	> 1 year ≤ 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	1,795	247,381	78,848	21,968	2	349,994
2	Debt securities	-	21,662	16,287	16,749	-	54,698
3	**TOTAL**	**1,795**	**269,043**	**95,135**	**38,717**	**2**	**404,693**

3.2.3 Credit risk

Since the end of 2007, the ACPR has authorised Crédit Agricole CIB Group to use internal rating systems to calculate regulatory capital requirements as regards credit risk for most of its scope. In addition, the ACPR has since 1 January 2008 authorised Crédit Agricole CIB group's main entities to use the Advanced Measurement Approach (AMA) to calculate their regulatory capital requirements for operational risk. The Group's other entities use the standardised approach, in accordance with regulations.

The main Crédit Agricole CIB group subsidiaries or portfolios still using the standardised method for measuring credit risk at 31 December 2023 were as follows:

- Union des Banques Arabes et Françaises (UBAF);
- Crédit Agricole CIB Brazil;
- Crédit Agricole CIB Canada;
- CA Indosuez Wealth Italy S.P.A.

In accordance with the commitment made by the Group to gradually move toward the advanced method defined with the ACPR in May 2007 (roll-out plan), work is ongoing in the main entities and portfolios still under the standard method. An update of the roll-out plan is sent annually to the competent authority.

The use of internal models to calculate the solvency ratios has enabled Crédit Agricole CIB group to strengthen its risk management. Specifically, the development of "internal ratings based" approaches has led to the systematic and reliable collection of default and loss histories for most Group entities. The establishment of this data history makes it possible to quantify credit risk today by assigning an average Probability of Default (PD) to each rating level, and for the "advanced internal rating" approaches to assign a loss given default (LGD).

In addition, the parameters of the "Internal Ratings-Based" models are used in the definition, implementation and monitoring of the entities' risk and credit policies.

The internal risk assessment models thus promote the development of sound risk management practices by the Group's entities and improve the efficiency of the capital allocation process by enabling a more fine-tuned measurement of capital consumption by each business line and entity.

EXPOSURE TO CREDIT RISK USING THE STANDARD APPROACH

Credit assessment using the standardised approach

The Group now uses external credit rating agency assessments to calculate its risk-weighted exposures under the standardised approach. The remaining exposures are subject to fixed weightings (like under Basel I).

Exposure categories treated by standard method are classified according to the counterparty type and financial product type in one of the 16 categories set out in Article 112 of Regulation (EU) 575/2013 of 26 June 2013. The weightings applied to these same outstandings are calculated in accordance with Articles 114 to 134 of that regulation.

For the "Central governments and central banks" and "Institutions" exposure categories, the Crédit Agricole S.A. Group has decided, in the standardised approach, to use Moody's assessments to evaluate the risk.

As such, where the rating agency's credit assessment of the counterparty is known, it is used to calculate the applicable weighting. With regard to the counterparties of the "Institutions" or "Corporate" exposure categories where the credit assessment is not known, the weighting applied takes account of the credit assessment of the central authority in whose jurisdiction this counterparty is established, pursuant to the provisions of Articles 121 and 122 of the aforementioned regulation.

With regard to exposures on banking portfolio debt instruments, the rule used involves applying the issuer's weighting rate. This rate is calculated in accordance with the rules described in the preceding paragraph.

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▶ Standardised approach - Credit risk exposure and credit risk mitigation (CRM) effects (CR4)

		31.12.2023					
€ million		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
Exposure classes		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Central governments or central banks	1,306	19	1,306	10	842	64.00%
2	Regional government or local authorities	-	45	-	23	-	0.00%
3	Public sector entities	3	1	3	1	1	16.06%
4	Multilateral development banks	26	-	26	-	26	100.00%
5	International organisations	-	-	-	-	-	0.00%
6	Institutions	2,744	699	17,899	445	698	3.81%
7	Corporates	17,279	1,549	2,235	635	2,829	98.56%
8	Retail	500	144	468	64	392	73.69%
9	Secured by mortgages on immovable property	-	-	-	-	-	0.00%
10	Exposures in default	138	1	8	0	8	102.73%
11	Exposures associated with particularly high risk	-	-	-	-	-	0.00%
12	Covered bonds	-	-	-	-	-	0.00%
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	0.00%
14	Collective investment undertakings	-	-	-	-	-	0.00%
15	Equity	99	-	99	-	100	100.84%
16	Other items	4,193	0	4,193	0	3,947	94.13%
17	**TOTAL**	**26,286**	**2,459**	**26,236**	**1,178**	**8,843**	**32.26%**

		31.12.2022					
€ million		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
Exposure classes		Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density	RWA density
1	Central governments or central banks	1,076	18	1,076	9	889	81.93%
2	Regional government or local authorities	0	47	0	23	0	0.00%
3	Public sector entities	0	1	0	1	0	0.00%
4	Multilateral development banks	21	0	21	0	21	100.00%
5	International organisations	0	0	0	0	0	0.00%
6	Institutions	5,046	620	25,937	362	748	2.85%
7	Corporates	22,777	1,303	2,025	526	2 481	97.27%
8	Retail	308	3	244	1	184	75.00%
9	Secured by mortgages on immovable property	0	0	0	0	0	0.00%
10	Exposures in default	179	3	6	1	8	108.43%
11	Exposures associated with particularly high risk	0	0	0	0	0	0.00%
12	Covered bonds	0	0	0	0	0	0.00%
13	Institutions and corporates with a short-term credit assessment	0	0	0	0	0	0.00%
14	Collective investment undertakings	14	0	14	0	2	11.07%
15	Equity	109	0	109	0	110	100.87%
16	Other items	4,181	0	4,181	0	3,679	88.01%
17	**TOTAL**	**33,710**	**1,994**	**33,613**	**923**	**8,122**	**23.52%**

EXPOSURE TO CREDIT RISK USING THE INTERNAL RATINGS-BASED APPROACH

Credit exposures are classified by counterparty type and financial product type, based on the seven exposure classes shown in the table below and set out in the amended Article 147 of Regulation (EU) 575/2013 of 26 June 2013 on capital requirements for credit institutions and investment firms:

- the "Central government and central banks" exposure class, other than exposures on central governments and central bank, combines exposures to certain regional and local authorities or to public sector entities which are treated like central governments, as well as certain multilateral development banks and international organisations;
- the "Institutions" class comprises exposure to credit institutions and investment firms, including those recognised in other countries. This category also includes certain exposures to regional and local governments, public-sector entities and multilateral development banks that are not considered as central governments;
- the "Corporates" class is divided into large companies and small and medium-sized businesses, which are subject to different regulatory treatments;
- the "Retail" class distinguishes between mortgage loans, revolving facilities, other loans to individuals and other loans to small and medium-sized businesses;
- the "Equity" class comprises exposures that convey a residual, subordinated claim on the assets or income of the issuer or have a similar economic substance;
- the "Securitisation" exposure class includes exposures to securitisation operations or structures, including those resulting from interest rate or exchange rate derivatives, independently of the institution's role whether it is the originator, sponsor or investor;
- the "Other non-credit obligation assets" class mainly includes non-current assets and accruals.

Credit derivatives used for hedging

Credit derivatives effect used as credit risk mitigation (CRM) techniques on risk weighted assets (RWA) in internal ratings.

IRB approach - effect on the RWAs of credit derivatives used as CRM techniques (CR7)

		31.12.2023	
€ million		Pre-credit derivatives RWA	Actual RWA
1	**Exposures under F-IRB**	**1,645**	**1,645**
2	Central governments and central banks	-	-
3	Institutions	3	3
4	Corporates	1,642	1,642
4.1	of which Corporates - SMEs	21	21
4.2	of which Corporates - Specialised lending	12	12
5	**Exposures under A-IRB**	**66,033**	**65,289**
6	Central governments and central banks	1,949	1,949
7	Institutions	3,082	3,137
8	Corporates	60,200	59,401
8.1	of Corporates - which SMEs	250	250
8.2	of which Corporates - Specialised lending	11,809	11,809
9	Retail	802	802
9.1	of which Retail – SMEs - Secured by immovable property collateral	-	-
9.2	of which Retail – non-SMEs - Secured by immovable property collateral	-	-
9.3	of which Retail – Qualifying revolving	-	-
9.4	of which Retail – SMEs - Other	134	134
9.5	of which Retail – Non-SMEs- Other	668	668
10	**TOTAL (including F-IRB exposures and A-IRB exposures)**	**67,678**	**66,934**

▸ IRB approach - Disclosure of the extent of use of CRM techniques (CR7-A)

€ million	31.12.2023												
		Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWAs
		Funded credit Protection (FCP)									Unfunded credit protection (UFCP)		
IRB-A	Total exposures	Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)	"RWA with substitution effects (both reduction and substitution effects
Central governments and central banks	133,857	0.01%	-	-	-	-	-	-	-	-	-	-	1,949
Institutions	65,121	0.41%	-	-	-	-	0.00%	0.00%	-	-	-	-	3,137
Corporates	192,217	1.78%	11.26%	5.27%	-	5.99%	-	-	-	-	-	-	59,401
Of which Corporates – SMEs	938	6.37%	0.00%	0.00%	-	-	-	-	-	-	-	-	250
Of which Corporates – Specialised lending	46,552	1.05%	46.12%	21.40%	-	24.72%	-	-	-	-	-	-	11,809
Of which Corporates – Other	144,728	1.99%	0.12%	0.12%	-	-	-	-	-	-	-	-	47,343
Retail	14,488	-	-	-	-	-	-	-	-	-	-	-	802
Of which Retail – Immovable property SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which Retail – Immovable property non-SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which Retail – Qualifying revolving	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which Retail – Other SMEs	1,646	-	-	-	-	-	-	-	-	-	-	-	134
Of which Retail – Other non-SMEs	12,842	-	-	-	-	-	-	-	-	-	-	-	668
TOTAL	**405,682**	**0.91%**	**5.33%**	**2.50%**	**-**	**2.84%**	**0.00%**	**0.00%**	**-**	**-**	**-**	**-**	**65,289**

€ million	31.12.2023												
		Credit risk mitigation											Credit risk Mitigation methods in the calculation of RWAs
		Funded credit Protection (FCP)									Unfunded credit Protection (UFCP)		
IRB-F	Total exposures	Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)	RWA with substitution effects (both reduction and substitution effects)
Central governments and central banks	2	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	214	-	-	-	-	-	-	-	-	-	-	-	3
Corporates	5,315	0.00%	4.67%	4.64%	0.03%	-	-	-	-	-	-	-	1,642
Of which Corporates – SMEs	44	0.22%	-	-	-	-	-	-	-	-	-	-	21
Of which Corporates – Specialised lending	17	-	0.00%	0.00%	-	-	-	-	-	-	-	-	12
Of which Corporates – Other	5,254	0.00%	4.73%	4.69%	0.03%	-	-	-	-	-	-	-	1,609
TOTAL	**5,531**	**0.00%**	**4.49%**	**4.46%**	**0.03%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,645**

◆ Change in RWAs

▶ RWA flow statements of credit risk exposures under the IRB approach (CR8)

€ million		31.12.2023
RWA amounts		
1	**RWAs as at the end of the previous reporting period (30.09.2023)**	**67,298**
2	Asset size (+/-)	252
3	Asset quality (+/-)	(150)
4	Model updates (+/-)	-
5	Methodology and policy (+/-)	-
6	Acquisitions and disposals (+/-)	-
7	Foreign exchange movements (+/-)	(1,444)
8	Other (+/-) [1]	979
9	**RWAs as at the end of the reporting period (31.12.2023)**	**66,934**

[1] *The variation shown in row 8 "Other (+/-)" of table CR8 is mainly explained by the RWA gains related to synthetic securitisation: in the fourth quarter of 2023, the amortisation of securitisation programs led to a decrease in RWA gains.*

3.2.4 Counterparty risk

Crédit Agricole CIB, like its parent company, addresses counterparty risks for all of its exposures, whether these depend on the banking portfolio or the trading book (portfolio). For items in the trading book, counterparty risk is calculated in accordance with the provisions relating to the regulatory supervision of market risk.

The regulatory treatment of counterparty risk on transactions on forward financial instruments in the banking book is defined on a regulatory basis in the amended Regulation (EU) 575/2013 of 26 June 2013. Crédit Agricole CIB uses the market price method to measure its exposure to counterparty risk on transactions on forward financial instruments in the banking book (Article 274) or the internal model method (Article 283) within the scope of Crédit Agricole CIB.

◆ Analysis of the exposure to counterparty risks (CCR)

▶ Exposure to counterparty risks by type of approach

	31.12.2023											
	Standardised				IRB				Total			
€ million	Gross exposure	EAD	RWA	Capital require-ment	Gross exposure	EAD	RWA	Capital require-ment	Gross exposure	EAD	RWA	Capital require-ment
Central governments and central banks	-	-	-	-	10,431	10,411	284	23	10,431	10,411	284	23
Institutions	9,130	9,130	321	26	35,738	31,060	7,157	573	44,868	40,190	7,478	598
Corporates	224	224	224	18	33,382	32,189	7,366	589	33,606	32,413	7,590	607
Retail	0	0	0	0	-	-	-	-	-	-	-	-
Equities	-	-	-	-	-	-	-	-	-	-	-	-
Securitisations	-	-	-	-	-	-	-	-	-	-	-	-
Other non-credit obligation assets	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	**9,354**	**9,354**	**545**	**44**	**79,550**	**73,660**	**14,806**	**1,185**	**88,904**	**83,014**	**15,351**	**1,228**

	31.12.2022											
	Standardised				IRB				Total			
€ million	Gross exposure	EAD	RWA	Capital require-ment	Gross exposure	EAD	RWA	Capital require-ment	Gross exposure	EAD	RWA	Capital require-ment
Central governments and central banks	-	-	-	-	13,134	13,126	341	27	13,134	13,126	341	27
Institutions	5,910	5,910	159	13	34,129	35,002	6,647	532	40,038	40,912	6,806	544
Corporates	190	190	190	15	32,498	31,160	7,886	631	32,689	31,350	8,076	646
Retail	0	0	0	0	-	-	-	-	-	-	-	-
Equities	-	-	-	-	-	-	-	-	-	-	-	-
Securitisations	-	-	-	-	-	-	-	-	-	-	-	-
Other non-credit obligation assets	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	**6,100**	**6,100**	**349**	**28**	**79,761**	**79,288**	**14,873**	**1,190**	**85,861**	**85,388**	**15,222**	**1,218**

◆ Change in RWAs using the internal models method (IMM)

▶ RWA flow statements of CCR exposures under the IMM (CCR7)

€ million		31.12.2023
RWA		
0010	**RWAs as at the end of the previous reporting period (30.09.2023)**	**11,685**
0020	Asset size	1,757
0030	Credit quality of counterparties	(195)
0040	Model updates (IMM only)	-
0050	Methodology and policy (IMM only)	-
0060	Acquisitions and disposals	-
0070	Foreign exchange movements	(2,264)
0080	Other	16
0090	**RWAs as at the end of the reporting period (31.12.2023)**	**10,999**

3.2.4.1 RISK MITIGATION TECHNIQUES APPLIED TO CREDIT AND COUNTERPARTY RISK

Definitions:

- collateral: a security interest giving the Bank the right to liquidate, keep or obtain title to certain amounts or assets in the event of default or other specific credit events affecting the counterparty, thereby reducing the credit risk on an exposure;
- personal guarantee: undertaking by a third party to pay the sum due in the event of the counterparty's default or other specific credit events, therefore reducing the credit risks on an exposure.

CRM techniques overview: Disclosure of the use of credit risk mitigation techniques (CR3)

€ million		31.12.2023				
		Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
1	Loans and advances	205,353	97,203	56,662	40,542	3,483
2	Debt securities	37,258	340	12	328	-
3	**TOTAL**	**242,611**	**97,544**	**56,674**	**40,870**	**3,483**
4	Of which non-performing exposures	925	1,231	1,028	204	-

€ million		31.12.2022				
		Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
1	Loans and advances	231,194	88,622	78,958	9,664	7,121
2	Debt securities	34,817	-	-	-	-
3	**TOTAL**	**266,011**	**88,622**	**78,958**	**9,664**	**7,121**
4	Of which non-performing exposures	1,002	1,889	1,853	37	-

3.2.4.2 EXPOSURES TO EQUITIES INCLUDED IN THE BANKING BOOK

Equity investments owned by Crédit Agricole CIB group outside the trading book are made up of securities "that give residual and subordinated rights to the assets or income of the issuer or that are of a similar economic nature".

They mainly comprise:

- listed and non-listed shares and units in investment funds;
- implicit options in bonds that are convertible, redeemable or exchangeable for shares;
- options on shares;
- deeply subordinated securities.

The objective pursued in the context of non-consolidated equity investments is the management intention (financial assets at fair value through profit/loss or on option, financial assets available for sale, investments held until maturity, loans and receivables) as described in note 1.3 to the financial statements (see Chapter 6 "Accounting policies and principles" of this Universal registration document).

The accounting techniques and valuation methods used are described in note 1.3 to the financial statements "Accounting policies and principles".

Equity exposures under the simple risk-weighted approach (CR10.5)

€ million	31.12.2023					
Categories	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWAs	Expected loss amount
Exchange-traded equity exposures	-	-	190%	-	-	-
Private equity exposures	0	-	290%	0	0	0
Other equity exposures	394	-	370%	328	1,215	8
TOTAL	**394**	**-**	**-**	**328**	**1,215**	**8**

€ million	31.12.2022					
Categories	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWAs	Expected loss amount
Exchange-traded equity exposures	0	-	190%	-	-	-
Private equity exposures	0	-	290%	0	0	0
Other equity exposures	349	-	370%	295	1,093	7
TOTAL	**349**	**-**	**-**	**296**	**1,093**	**7**

The amounts of gains and losses on equity instruments, generated over the period under review, are presented in note 4 to the financial statements "Notes on net income and other comprehensive income".

3.2.5 Market risks

3.2.5.1 EXPOSURE TO MARKET RISKS IN THE TRADING BOOK

◆ Exposures using the internal model approach

▶ **RWA flow statements of market risk exposures under the Internal Model Approach (IMA) (MR2-B)**

		31.12.2023						
€ million		VaR	SVaR	IRC	Comprehensive risk measure	Other	Total RWA	Total own funds requirements
1	**RWA at previous quarter end - 30.09.2023**	**2,619**	**4,123**	**2,299**	**-**	**-**	**9,041**	**723**
1a	Regulatory Adjustment	2,125	3,296	483	-	-	5,905	472
1b	RWA at previous quarter end (end of day)	494	826	1,816	-	-	3,136	251
2	Movement in risk levels	(48)	28	(571)	-	-	(591)	(47)
3	Model updates/changes	-	-	-	-	-	-	-
4	Methodology and policy	-	-	-	-	-	-	-
5	Acquisitions and disposals	-	-	-	-	-	-	-
6	Foreign exchange movements	(12)	4	(2)	-	-	(10)	(1)
7	Other	-	-	-	-	-	-	-
8a	RWA at end of reporting period (end of day)	433	858	1,243	-	-	2,535	203
8b	Regulatory Adjustment	1,769	3,196	240	-	-	5,205	416
8	**RWA at the end of reporting period - 31.12.2023**	**2,202**	**4,055**	**1,483**	-	-	**7,740**	**619**

3.3 Liquidity risk

Under the Basel 3 agreements, Article 451a of Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 (Capital Requirements Regulation), as amended by CRR No. 2019/876 (referred to as "CRR 2"), requires supervised financial institutions (mainly credit institutions and investment firms) to disclose quantitative and qualitative information on their risk management activities.

LIQUIDITY RISK MANAGEMENT (EU-LIQA)

The information detailed below supplements the system for monitoring and measuring liquidity risks described in Chapter 5 Risks/Risk Management of this Universal Registration Document.

3.3.1 Liquidity risk management strategy and process

The strategy implemented by the Crédit Agricole Group and at Crédit Agricole CIB in terms of liquidity risk management is based on the following main principles:

- a financing structure that minimises risk and substantial liquidity buffers, designed to enable Crédit Agricole CIB to cope with a possible liquidity crisis;
- prudent management of intraday liquidity risk;
- a robust liquidity risk oversight and management system.

Crédit Agricole CIB ensures the diversification of its sources of market financing through dedicated short- and long-term indicators. Diversification covers the counterparty category (different market participants, client types), as well as the currency and country of the counterparty.

3.3.2 Structure and organisation of the liquidity risk management function

Liquidity risk management is coordinated for the Crédit Agricole Group by the Group Financial Management Department, within the Finance Department of Crédit Agricole S.A., then rolled out at Crédit Agricole CIB.

Liquidity risk is overseen and managed by Crédit Agricole CIB's Finance Department, using steering indicators. The risk departments of Crédit Agricole CIB and Crédit Agricole S.A. serve on the second line of liquidity risk management using standards, indicators, limits, and participate in liquidity governance bodies.

3.3.3 Centralisation of liquidity and intragroup interactions

The Treasury Department is responsible for overall day-to-day management of the Crédit Agricole CIB group's short-term funding. Within each cost centre, the Treasurer is responsible for managing funding activities within the allocated limits and reports to Crédit Agricole CIB's Treasurer and the local Assets and Liabilities Committee.

The Steering department is responsible for managing the requirements of the business lines and for the overall supervision of liquidity risk within the risk framework validated by the Board of Directors. The operational management of long-term refinancing is delegated to the ALM Execution department.

3.3.4 Liquidity risk reporting and measurement systems

In practice, Crédit Agricole CIB populates the Group liquidity risk measurement tool.

Through a chart of accounts tailored to liquidity risk oversight, this took is used to identify homogeneous compartments of the balance sheet and also provides the maturity schedule for each compartment. It measures the various indicators standardised by the Crédit Agricole Group on a monthly or quarterly basis:

- internal liquidity model indicators: overall liquidity, reserves, stress scenarios, short-term and long-term refinancing concentration, etc.;
- regulatory indicators: LCR, NSFR, ALMM.

This system is supplemented by management tools providing a daily view of certain risks (intraday liquidity, daily LCR production).

Liquidity management is also integrated into Crédit Agricole CIB's planning process. The balance sheet is projected, particularly during preparation of the budget, the Medium-Term Plan or stress tests.

3.3.5 Liquidity risk hedging

The liquidity risk management policies implemented by Crédit Agricole CIB consist in securing a solid balance sheet structure with the aim of coping with stress scenarios or liquidity crises (liquidity outflows or market closure). This is mainly accomplished by:

- focusing on medium- to long-term refinancing and limit the use of short-term refinancing. Accordingly, Crédit Agricole CIB has set a management target in terms of its Stable Resources Position and a net short-term refinancing limit;
- diversifying its sources of market refinancing.

In the event of a crisis, liquefiable asset reserves serve to address significant liquidity outflows. These assets mainly consist of:

- central bank deposits (mainly with the ECB;
- very high-quality, liquid securities with a low risk of value fluctuation;
- and receivables available at the central bank.

3.3.6 Liquidity contingency plan

Crédit Agricole CIB is developing a Contingency Plan to be rolled out in the event of a liquidity crisis. The Contingency Plan has three levels, triggered according to the severity of the crisis:

- yellow: the situation calls for increased monitoring and small-scale measures;
- orange: the situation calls for unusual measures to address the crisis;
- red: the situation calls for exceptional measures to address the crisis.

Crisis oversight indicators used to trigger the Contingency Plan, if necessary, are measured bimonthly by Crédit Agricole CIB's Steering Department.

The system relies on dedicated governance in the event the Contingency Plan is triggered, which includes a crisis committee chaired by Executive Management. Crédit Agricole CIB's Contingency Plan is tested once a year.

3.3.7 Stress tests

The bank uses stress tests to ensure that it has sufficient liquid assets to deal with liquidity crisis situations. These assets include central bank deposits, liquid securities on the secondary market, securities likely to be repurchased, or securities or receivables available from central banks.

Crédit Agricole CIB sets tolerance thresholds in terms of survival periods for the following 3 scenarios:

- a systemic crisis scenario corresponding to a crisis on the refinancing market. The survival period is set at one year;
- an idiosyncratic crisis scenario corresponding to a severe crisis centred on the Crédit Agricole Group, on a smaller scale than the global crisis scenario, particularly because asset market liquidity is not impacted. The survival period is set at three months;
- a global crisis scenario corresponding to a sudden and severe crisis, both specific to the institution, i.e. affecting its reputation, and systemic, i.e. affecting the entire financing market. The survival period is set at one month.

In practice, these stress tests are carried out by applying a set of assumptions on the deterioration of overall liquidity. Crédit Agricole CIB passes the stress test if liquid assets maintain positive liquidity throughout the stressed period.

3.3.8 Steering and governance

Liquidity risk appetite is defined each year by the governance system in the Risk Appetite Framework, which reflects the level of risk accepted by Crédit Agricole CIB. This framework consists of alert thresholds and limits on the key indicators of the liquidity risk monitoring system:

- LCR and NSFR, managed with margin of maneuver in relation to regulatory requirements;
- internal indicators, such as surplus stable resources and liquidity crisis scenarios in particular.

The internal management system is supplemented by other liquidity risk measures (concentration of medium- to long-term refinancing by counterparty, maturity and currency; sensitivity to short-term market funding; market footprint; asset encumbrance level; contingent liquidity requirements) monitored at Crédit Agricole CIB level.

Crédit Agricole CIB prepares an annual statement on the adequacy of liquidity risk management systems, ensuring that the liquidity risk management systems put in place are appropriate in light of its profile and strategy. This statement is approved by the Board of Directors of Crédit Agricole CIB.

▶ Quantitative information on the Liquidity Coverage Ratio (EU-LIQ1)

€ million

	Scope of consolidation: consolidated	Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on	31.12.2023	30.09.2023	30.06.2023	31.03.2023	31.12.2023	30.09.2023	30.06.2023	31.03.2023
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
HIGH-QUALITY LIQUID ASSETS									
1	Total high-quality liquid assets (HQLA)					**154,918**	**153,599**	**154,341**	**153,079**
CASH-OUTFLOWS									
2	**Retail deposits and deposits from small business customers, of which:**	**11,700**	**12,143**	**12,973**	**13,569**	**1,732**	**1,796**	**1,915**	**2,002**
3	Stable deposits	-	-	-	-	-	-	-	-
4	Less stable deposits	11,700	12,143	12,973	13,569	1,732	1,796	1,915	2,002
5	Unsecured wholesale funding	**177,246**	**175,707**	**176,820**	**175,449**	**101,224**	**98,831**	**100,216**	**99,354**
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	29,334	30,295	28,651	27,410	7,334	7,574	7,163	6,853
7	Non-operational deposits (all counterparties)	130,985	128,301	130,229	130,661	76,963	74,146	75,114	75,124
8	Unsecured debt	16,927	17,111	17,939	17,378	16,927	17,111	17,939	17,378
9	**Secured wholesale funding**					**18,645**	**18,274**	**18,299**	**18,555**
10	**Additional requirements**	**161,802**	**157,349**	**153,383**	**151,948**	**41,238**	**40,864**	**40,368**	**39,496**

€ million

	Scope of consolidation: consolidated	Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on	31.12.2023	30.09.2023	30.06.2023	31.03.2023	31.12.2023	30.09.2023	30.06.2023	31.03.2023
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
11	Outflows related to derivative exposures and other collateral requirements	28,137	26,459	24,815	23,572	11,074	10,982	10,776	10,053
12	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
13	Credit and liquidity facilities	133,665	130,890	128,569	128,376	30,164	29,882	29,592	29,442
14	**Other contractual funding obligations**	**50,117**	**46,747**	**44,745**	**43,298**	**6,164**	**5,515**	**5,014**	**4,630**
15	**Other contingent funding obligations**	**66,876**	**67,142**	**67,990**	**65,778**	**3,534**	**3,547**	**3,590**	**3,479**
16	**TOTAL CASH OUTFLOWS**					**172,536**	**168,826**	**169,401**	**167,516**
CASH-INFLOWS									
17	**Secured lending (e.g. reverse repos)**	**198,026**	**191,666**	**183,679**	**179,739**	**11,872**	**12,152**	**12,295**	**13,196**
18	**Inflows from fully performing exposures**	**28,339**	**30,061**	**32,363**	**33,472**	**20,404**	**20,981**	**22,479**	**22,782**
19	**Other cash inflows**	**7,337**	**7,154**	**6,656**	**6,192**	**7,337**	**7,154**	**6,656**	**6,192**
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					-	-	-	-
EU-19b	(Excess inflows from a related specialised credit institution)					-	-	-	-
20	**TOTAL CASH INFLOWS**	**233,703**	**228,882**	**222,697**	**219,403**	**39,613**	**40,287**	**41,430**	**42,170**
EU-20a	**Fully exempt inflows**	-	-	-	-	-	-	-	-
EU-20b	**Inflows subject to 90% cap**	-	-	-	-	-	-	-	-
EU-20c	**Inflows subject to 75% cap**	**211,857**	**208,058**	**201,720**	**197,033**	**39,613**	**40,287**	**41,430**	**42,170**

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€ million

	Scope of consolidation: consolidated	Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on	31.12.2023	30.09.2023	30.06.2023	31.03.2023	31.12.2023	30.09.2023	30.06.2023	31.03.2023
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
						TOTAL ADJUSTED VALUE			
21	**LIQUIDITY BUFFER**					**154,918**	**153,599**	**154,341**	**153,079**
22	**TOTAL NET CASH OUTFLOWS***					**132,923**	**128,539**	**127,971**	**125,345**
23	**LIQUIDITY COVERAGE RATIO**					**116.95%**	**120.27%**	**121.47%**	**122.91%**

** The net cash outflows are calculated on average on the amounts observed (over the 12 regulatory declarations concerned) including the application of a cap on cash inflows (maximum of 75% of gross outflows), if applicable*

▶ Qualitative information (EU LIQ B)

(a)	**Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time.**	At 31 December 2023, Crédit Agricole CIB's average LCR ratio (average for the last 12 months) stood at 116.9%, above the minimum requirement of 100%, due to an average excess liquidity of €21.8 billion. This can largely be attributed to a solid level of liquidity reserves, above the level of net cash outflows.
(b)	**Explanations on the changes in the LCR over time.**	Over 2023, the average LCR ratio fell by 7.2 points (116.9% in 2023 versus 124.1% in 2022), with an increase in the average LCR liquidity buffer (+€1.6 billion), an average net cash outflows (+€8.4 billion) and a decrease in average LCR excess liquidity (€6.9 billion).
(c)	**Concentration of funding and liquidity sources**	Crédit Agricole CIB actively diversifies its sources of financing by maintaining diversified access to the markets through multi-format issuance programmes in a variety of locations.
(d)	**High-level description of the composition of the institution's liquidity buffer.**	At 31 December 2023, Crédit Agricole CIB's end-of-month liquidity buffer stood at €133.3 billion with high-quality liquid assets distributed between level 1 (95% o/w €75.7 billion in central bank deposits and €50.4 billion in securities) and level 2 (5%, i.e. €7.2 billion).
(e)	**Derivative exposures and potential collateral calls.**	The cash outflows relating to this item materialize the contingent risk of an increase in margin calls: - on derivative transactions in an unfavourable market scenario; - following a downgrading of the Crédit Agricole CIB group's external rating.
(f)	**Currency mismatch in liquidity coverage ratio (RCBL)**	The residual asymmetries observed in certain currencies are limited in magnitude. Furthermore, the high-quality liquid assets available in other significant currencies could be easily converted to cover these needs, including in a crisis situation.
(g)	**Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile**	In addition to the LCR surplus, Crédit Agricole CIB has non-HQLA reserves that can be liquidated on the market and reserves that can be mobilised in Central Banks (pre-haircut eligible loans of €11.0 billion at 31 December 2023).

Quantitative information on the Net Stable Funding Ratio (NSFR) at 31 December 2023 (EU-LIQ2)

		31.12.2023				
		a	b	c	d	e
		Unweighted value by residual maturity				
€ million		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	Weighted value
Available stable funding (ASF) Items						
1	**Capital items and instruments**	**29,998**	**-**	**-**	**4,286**	**34,284**
2	Own funds	29,998	-	-	4,286	34,284
3	Other capital instruments		-	-	-	-
4	**Retail deposits**		**15,550**	**956**	**-**	**14,856**
5	Stable deposits		-	-	-	-
6	Less stable deposits		15,550	956	-	14,856
7	**Wholesale funding**		**489,946**	**22,631**	**99,683**	**212,302**
8	Operational deposits		29,455	-	-	14,728
9	Other wholesale funding		460,491	22,631	99,683	197,574
10	**Interdependent liabilities**		**-**	**-**	**-**	**-**
11	**Other liabilities**	-	**70,190**	**942**	**3,200**	**3,671**
12	NSFR derivative liabilities	-				
13	All other liabilities and capital instruments not included in the above categories		70,190	942	3,200	3,671
14	**Total available stable funding (ASF)**					**265,112**
Required stable funding (RSF) Items						
15	**Total high-quality liquid assets (HQLA)**					**7,719**
EU-15a	**Assets encumbered for a residual maturity of one year or more in a cover pool**		**455**	**464**	**5,095**	**5,111**
16	**Deposits held at other financial institutions for operational purposes**		**1,462**	-	-	**731**
17	**Performing loans and securities:**		**367,566**	**32,319**	**130,431**	**175,606**
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		202,835	8,429	6,181	15,228
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		96,880	6,279	27,084	41,939
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:	-	42,717	13,023	85,896	100,632
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	544	1,545	7,620	5,997
22	Performing residential mortgages, of which:	-	-	-	-	-
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		-	-	-	-
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		25,133	4,588	11,269	17,807
25	**Interdependent assets**		**-**	**-**	**-**	**-**
26	**Other assets:**		**85,190**	**769**	**6,381**	**31,829**
27	Physical traded commodities				-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		8,803	-	-	7,482
29	NSFR derivative assets		7,471			7,471
30	NSFR derivative liabilities before deduction of variation margin posted		54,437			2,722
31	All other assets not included in the above categories		14,479	769	6,381	14,153
32	**Off-balance sheet items**		**71,071**	**15,022**	**141,276**	**13,375**
33	**Total required stable funding (RSF)**					**234,371**
34	**Net Stable Funding Ratio (%)**					**113.12%**

The NSFR ratio of Crédit Agricole CIB group is at a convenient level since it entered into force. The net stable funding includes mainly client resources, funding provided by the Crédit Agricole Group and central bank resources (TLTRO). The available stable funding covers the stable funding requirements since the regulatory requirement came into force in June 2021.

3.4 Remuneration policy

The information on the compensation policy required pursuant to EU Regulation 575-2013 (CRR) can be found in Chapter 3 of this Universal Registration Document.

3.5 Responsibility statement

Declaration concerning the publication of the information required under Part 8 of Regulation (EU) No 575/2013

Olivier BÉLORGEY, Deputy Chief Executive Officer and Chief Financial Officer of Crédit Agricole CIB.

Statement by the person responsible

I certify that, to the best of my knowledge, the information required under Part 8 of Regulation (EU) No 575/2013 (and subsequent amendments) has been published in accordance with the formal policies and internal procedures, systems and controls.

Montrouge, 25th March 2024

Deputy Chief Executive Officer and Chief Financial Officer of Crédit Agricole CIB
Olivier Bélorgey

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CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

Approved by the Board of Directors
on 06 February 2024 and submitted for
the approval of the Ordinary General Meeting
on 30 April 2024.

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CONTENTS

€2,241M

NET INCOME GROUP SHARE

€29,937M

TOTAL EQUITY GROUP SHARE

€7,317M

NET BANKING INCOME

€757,367M

TOTAL ASSETS

101

NUMBER OF CONSOLIDATED ENTITIES

The consolidated financial statements consist of the general framework, the consolidated financial statements and the Notes to the consolidated financial statements.

1. GENERAL FRAMEWORK

1.1. Legal presentation of Crédit Agricole Corporate and Investment Bank

COMPANY NAME:

Crédit Agricole Corporate and Investment Bank

TRADING NAMES:

Crédit Agricole Corporate and Investment Bank - Crédit Agricole CIB - CACIB

ADDRESS OF THE COMPANY'S REGISTERED OFFICE:

12, place des Etats-Unis
CS 70052
92547 MONTROUGE CEDEX
France

REGISTRATION:

Registered with the Nanterre Trade and Company Registry under number 304 187 701.

NAF CODE:

6419 Z (APE)

LEI CODE:

1VUV7VQFKUOQSJ21A208

LEGAL FORM:

Crédit Agricole Corporate and Investment Bank is a public limited company (Société Anonyme) under French law (with a Board of Directors) governed by the laws and regulations applicable to credit institutions and French public limited companies and by its Articles of Association.

As of December 2011, Crédit Agricole Corporate and Investment Bank is affiliated with Crédit Agricole, within the meaning of the French Monetary and Financial Code (CMF).

SHARE CAPITAL:

EUR 7,851,636,342

CORPORATE PURPOSE (ART. 3 OF THE COMPANY'S ARTICLES OF ASSOCIATION):

The purpose of the Company, in France and abroad, is:

- to enter into any banking transactions and any finance transactions and more particularly:
  - the receipt of funds, the granting of loans, advances, credit, financing, guarantees, carrying out standard collections, payments and the collection of past due amounts;
  - to provide financial advice, particularly regarding financing, debt, subscriptions, issues, investments, acquisitions, disposals, mergers and restructuring operations;
  - the custody, management, purchase, sale, exchange, brokerage, arbitrage of every kind of security, company right, financial products, derivatives, currencies, goods, precious metals and other securities of any kind;
- providing any investment services and related services, within the meaning of the French Monetary and Financial Code and any subsequent text;
- to establish and to participate in any ventures, associations, corporations, by way of subscription, purchase of shares or equity rights, merger or in any other way;
- to enter into commercial, industrial, securities or real estate transactions, directly or indirectly related to any or all of the above purposes or to any similar or connected purposes;
- the foregoing, both on its own behalf and on behalf of third parties or as a partner and in any form whatsoever.

1.2. Synthetic group organisation to 31 December 2023

CORPORATE AND INVESTMENT BANKING | **WEALTH MANAGEMENT**

CRÉDIT AGRICOLE CIB S.A. (Parent company and branches)

SUBSIDIARIES

Europe
- 100% Ester Finance Technologies
- 100% Crédit Agricole Midcap Advisors

Asia/ Pacific
- 100% Crédit Agricole CIB China Ltd
- 100% CA Securities Asia BV (Tokyo Branch)
- 100% CA Securities (Asia) Ltd (Seoul Branch)

America
- 100% Banco Crédit Agricole Brasil
- 100% Crédit Agricole Securities (USA) Inc.

Africa/ Middle East
- 100% Crédit Agricole CIB Arabia Financial

Europe/ Middle East/Asia
- 100% CA Indosuez
  - 100% CA Indosuez (Switzerland)
  - 100% CA Indosuez Wealth (Europe)
  - 83% AZQORE
  - 70% CFM Indosuez Wealth
  - 70% WEALTH DYNAMICS LIMITED

BRANCHES

Europe
- Germany
- Belgium
- Denmark
- Spain
- Finland
- Italy
- United Kingdom
- Sweden

Asia/ Pacific
- Australia
- South Korea
- Hong-Kong
- India
- Japan
- Singapore
- Taiwan

America
- Canada
- United States

Africa/ Middle East
- Abu Dhabi
- Dubaï
- Qatar

Europe/ Middle East/Asia
- Belgium
- Dubaï
- Spain
- Hong-Kong
- Italy
- New Caledonia
- Singapore

1.3. An essentially mutualist banking Group

In accordance with the provisions of the French Monetary and Financial Code (Articles L. 511-31 and L. 511-32), as the corporate centre of the Crédit Agricole network, Crédit Agricole S.A. is responsible for exercising administrative, technical and financial control over the institutions affiliated to it in order to maintain a cohesive network (as defined in Article R. 512-18 of the French Monetary and Financial Code) and to ensure their proper functioning and compliance with all regulations and legislation governing them. In that regard, Crédit Agricole S.A. may take all necessary measures notably to ensure the liquidity and solvency of the network as a whole and of each of its affiliated institutions.

1.4. Internal relations at Crédit Agricole

Internal financial mechanisms

The financial mechanisms that govern reciprocal relations within Crédit Agricole are specific to the Group.

TLTRO III MECHANISM

Crédit Agricole S.A. has subscribed to TLTRO III loans with the ECB. Given the internal refinancing mechanisms, the Crédit Agricole CIB group can benefit from Crédit Agricole S.A. drawdowns or refinance directly with the ECB.

Hedging of liquidity and solvency risks and bank resolution

Under the legal internal financial solidarity mechanism enshrined in Article L. 511-31 of the French Monetary and Financial Code (CMF), Crédit Agricole S.A. as the central body, shall take any necessary measures to ensure the liquidity and solvency of each institution affiliated with the Network, as well as the Network as a whole. As a result, each member of the Network benefits from and contributes to this internal financial solidarity mechanism.

The general provisions of the French Monetary and Financial Code are transposed into internal provisions setting out the operational measures required for this legal internal financial solidarity mechanism.

For the purposes of Crédit Agricole S.A.'s IPO, CNCA (now Crédit Agricole S.A.) entered into a Memorandum of Understanding in 2001 with the Regional Banks aimed in particular at governing internal relations in the Crédit Agricole Network. This MoU established a Fund for Bank Liquidity and Solvency Risks (Fonds pour Risques Bancaires de Liquidité et de Solvabilité – FRBLS) designed to enable Crédit Agricole S.A. to fulfil its role as central body by providing assistance to any Network member that may be experiencing difficulties. The main provisions of the MoU are detailed in Chapter III of the Crédit Agricole S.A. Registration Document filed with the Commission des Opérations de Bourse on 22 October 2001 under number R. 01-453.

The European banking crisis management framework was adopted in 2014 by EU Directive 2014/59 (known as the "Bank Recovery and Resolution Directive - BRRD"), incorporated into French law by Order 2015-1024 of 20 August 2015, which also adapted French law to the provisions of European Regulation 806/2014 of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund. Directive (EU) 201/879 of 20 May 2019, known as "BRRD2", amended the BRRD and was incorporated into French law by Order 2020-1636 of 21 December 2020.

This framework, which includes measures to prevent and to resolve banking crises, is intended to preserve financial stability, to ensure the continuity of activities, services and operations of institutions whose failure could significantly impact the economy, to protect depositors and to avoid or limit the use of public financial support as much as possible. Under this system, the European resolution authorities, including the Single Resolution Board, are vested with very broad powers to take any necessary measures for the resolution, in part or in whole, of a credit institution or the group to which it belongs.

For cooperative banking groups, the "extended single point of entry" ("extended SPE") resolution strategy is favoured by the resolution authorities, whereby resolution tools would be applied simultaneously at the level of Crédit Agricole S.A. and the affiliated entities. In this respect and in the event of a resolution of the Crédit Agricole Group, the scope comprising Crédit Agricole S.A. (as the central body) and the affiliate entities would be taken together as the extended SPE. In light of the preceding and the Network's existing solidarity mechanisms, a member of the Crédit Agricole Network cannot be individually placed in resolution.

The resolution authorities may initiate resolution proceedings against a credit institution where it considers that: the institution has failed or is likely to fail, there is no reasonable prospect that another private measure will prevent the failure within a reasonable time, a resolution measure is necessary and a liquidation procedure would be inadequate to achieve the resolution objectives mentioned above.

The resolution authorities may use one or more resolution tools, as described below, with the objective of recapitalising or restoring the viability of the institution. The resolution tools should be implemented in such a way that equity holders (shares, mutual shares, CCIs, CCAs) bear losses first, with creditors following up immediately, provided that they are not excluded from bail-in legally speaking or by a decision of the resolution authorities. French law also provides for a protective measure when certain resolution tools or decisions are implemented, such as the principle that equity holders and creditors of an institution in resolution may not incur greater losses than those they would have incurred if the institution had been liquidated in the context of a judicial liquidation procedure under the French Commercial Code (NCWOL principle referred to in Article L. 613-57.I of the CMF). Thus investors are entitled to claim compensation if the treatment they receive in a resolution is less favourable than the treatment they would have received if the institution had been subject to normal insolvency proceedings.

In the event that the resolution authorities decide to put the Crédit Agricole Group in resolution, they will first write down the CET1 instruments (shares, mutual shares, CCI and CCA), additional Tier 1 and Tier 2 instruments, in order to absorb losses and then possibly convert the additional Tier 1 and Tier 2 instruments into equity securities[1]. Then, if the resolution authorities decide to use the bail-in tool, the latter would be applied to debt instruments[2], resulting in the partial or total write-down of these instruments or their conversion into equity in order to absorb losses.

With respect to the corporate centre and all affiliated entities, the resolution authorities may decide to implement, in a coordinated manner, impairment or conversion measures and, where applicable, bail-ins. In such an event, the impairment or conversion measures and, where applicable, Bail-ins measures would apply to all entities within the Crédit Agricole network, regardless of the entity in question and regardless of the origin of the losses.

The creditor hierarchy in resolution is defined by the provisions of Article L 613-55-5 of the CMF, effective as at the date of implementation of the resolution.

Equity holders and creditors of the same rank or with identical rights in liquidation will then be treated equally, regardless of the Group entity of which they are creditors.

The scope of this bail-in, which also aims to recapitalise the Crédit Agricole Group, is based on capital requirements at the consolidated level.

Investors should thus be aware that holders of equities, cooperative shares, cooperative investment certificates and cooperative member certificates and holders of debt instruments issued by a member of the network, are exposed to significant risk of losing their investment in the event a bank resolution proceeding is initiated against the Group, regardless of the entity serving as creditor.

The other resolution tools available to the resolution authorities are essentially the total or partial transfer of the activities of the institution to a third party or to a bridge institution and the separation of the assets of the institution.

This resolution framework does not affect the legal internal financial solidarity mechanism enshrined in Article L. 511-31 of the CMF, which applies to the Crédit Agricole network, as defined in Article R. 512-18 of the same Code. Crédit Agricole S.A. considers that, in practice, this mechanism should be implemented prior to any resolution procedure.

Application of the resolution proceeding to the Crédit Agricole Group implies that the legal internal solidarity mechanism would not resolve the default of one or more Network entities and thus the default of the Network as a whole. It would also limit the likelihood that the conditions for triggering the guarantee covering the liabilities of Crédit Agricole S.A., granted in 1988 to its third party creditors by the Regional Banks on a joint and several basis and up to the amount of their aggregate capital, are met. It should be recalled that this guarantee may be implemented in the event of an asset shortfall following Crédit Agricole S.A.'s court-ordered liquidation or dissolution.

(1) Articles L. 613-48 and L. 613-48-3 of the CMF.
(2) Articles L. 613-55 and L. 613-55-1 of the CMF Completed in June 2019 by Regulation (EU) 2019/876 and in June 2020 by Regulation (EU) 2020/873.

1.5. Information about related parties

The Crédit Agricole CIB group's related parties are the Crédit Agricole Group companies and the Crédit Agricole CIB group companies that are fully consolidated or consolidated using the equity method and the group's senior executives.

Relations with the Crédit Agricole Group

The on-and off-balance sheet amounts representing transactions between the Crédit Agricole CIB group and the rest of the Crédit Agricole Group are summarised in the following table:

In millions of euros	31.12.2023
Assets	
Financial assets at amortised cost	46,676
Financial assets at fair value through profit or loss	55,504
Financial assets at fair value through other comprehensive income	91
Accruals, prepayments and sundry assets	16,884
Property, plant and equipment	239
Current and deferred tax assets	385
Liabilities	
Financial liabilities at amortised cost	44,650
Financial liabilities at fair value through profit or loss	36,362
Accruals, deferred income and sundry liabilities	18,057
Subordinated debt	4,255
Preferred shares	-
Provisions	-
Reserves (AT1 issuances)	9,565
Current and deferred tax liabilities	114
Financing and guarantee commitments	
Commitments given	1,309
Financing commitments	590
Guarantee commitments	719
Commitments received	4,380
Financing commitments	-
Guarantee commitments	4,380

Financial assets and liabilities at amortised cost represent the cash flow between Crédit Agricole CIB and the Crédit Agricole Group.

Assets and liabilities at fair value through profit or loss primarily concern held-for-trading derivative outstandings, which mainly represent Crédit Agricole Group interest rate hedging transactions arranged in the market by Crédit Agricole CIB.

Accruals and deferred income mainly include margin calls (or variable margins) and guarantee deposits given or received in the form of cash for derivatives transactions.

Crédit Agricole CIB, owned by the Crédit Agricole Group since 27 December 1996 and some of its subsidiaries are part of Crédit Agricole S.A.'s tax consolidation group.

Accordingly, Crédit Agricole S.A. compensates the Crédit Agricole CIB sub-group for any potential tax losses, which are charged against the Crédit Agricole Group's taxable income.

Relations between the Crédit Agricole CIB group's consolidated companies

A list of the Crédit Agricole CIB group's consolidated companies can be found in Note 12.

Transactions realised between two fully consolidated entities are fully eliminated.

Outstandings at year-end between fully consolidated companies and equity-consolidated companies are not eliminated in the Group's consolidated financial statements.

At 31 December 2023, the non-netted outstandings on and off the balance sheet reported by Crédit Agricole CIB with its affiliate UBAF are:

In millions of euros	31.12.2023
Assets	
Financial assets at amortised cost	-
Financial assets at fair value through profit or loss	20
Financial assets at fair value through other comprehensive income	-
Accruals, prepayments and sundry assets	1
Liabilities	
Financial liabilities at amortised cost	16
Financial liabilities at fair value through profit or loss	3
Accruals, deferred income and sundry liabilities	13
Provisions	-
Financing and guarantee commitments	
Commitments given	35
Financing commitments	-
Guarantee commitments	35
Commitments received	-
Financing commitments	-
Guarantee commitments	-

Relations with senior executives

Information on the remuneration of senior executives is detailed in Note 7.7 "Remuneration of senior managers".

2. CONSOLIDATED FINANCIAL STATEMENTS

2.1. Income statement

In millions of euros	Notes	31.12.2023	31.12.2022
Interest and similar income	4.1	20,661	8,928
Interest and similar expenses	4.1	(16,826)	(5,100)
Fee and commission income	4.2	1,795	1,673
Fee and commission expenses	4.2	(973)	(768)
Net gains (losses) on financial instruments at fair value through profit or loss	4.3	2,661	1,918
Net gains (losses) on held for trading assets/liabilities		2,924	(2,851)
Net gains (losses) on other financial assets/liabilities at fair value through profit or loss		(263)	4,769
Net gains (losses) on financial instruments at fair value through other comprehensive income	4.4	(1)	17
Net gains (losses) on debt instruments at fair value through other comprehensive income that may be reclassified subsequently to profit or loss		(12)	(1)
Remuneration of equity instruments measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (dividends)		11	18
Net gains (losses) arising from the derecognition of financial assets at amortised cost	4.5	(16)	1
Net gains (losses) arising from the reclassification of financial assets at amortised cost to financial assets at fair value through profit or loss		-	-
Net gains (losses) arising from the reclassification of financial assets at fair value through other comprehensive income to financial assets at fair value through profit or loss		-	-
Net income from insurance activities		-	-
Income on other activities	4.6	142	125
Expenses on other activities	4.6	(126)	(97)
Revenues		**7,317**	**6,697**
Operating expenses	4.7	(4,132)	(3,858)
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets	4.8	(233)	(246)
Gross operating income		**2,952**	**2,593**
Cost of risk	4.9	(121)	(253)
Operating income		**2,831**	**2,340**
Share of net income (loss) of equity-accounted entities		1	-
Net gains (losses) on other assets	4.10	(5)	(7)
Change in value of goodwill	6.13	-	-
Pre-tax income		**2,827**	**2,333**
Income tax charge	4.11	(571)	(490)
Net income from discontinued operations		1	4
Net income		**2,257**	**1,847**
Non-controlling interests	12.2	16	9
NET INCOME GROUP SHARE		**2,241**	**1,838**
Earnings per share (in euros) [1]	6.16	5.32	4.73
Diluted earnings per share (in euros) [1]	6.16	5.32	4.73

[1] *Corresponds to income per share including net income from discontinued operations.*

2.2. Net income and other comprehensive income

In millions of euros	Notes	31.12.2023	31.12.2022
Net income		**2,257**	**1,847**
Actuarial gains and losses on post-employment benefits	4.12	(69)	145
Other comprehensive income on financial liabilities attributable to changes in own credit risk [1]	4.12	(283)	781
Other comprehensive income on equity instruments that will not be reclassified to profit or loss [1]	4.12	(16)	(30)
Insurance finance income or expenses recognised in other comprehensive income that will not be reclassified to profit or loss		-	-
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss excluding equity-accounted entities	4.12	**(368)**	**896**
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	4.12	**-**	**-**
Income tax related to items that will not be reclassified to profit or loss excluding equity-accounted entities	4.12	**78**	**(234)**
Income tax related to items that will not be reclassified to profit or loss on equity-accounted entities	4.12	**-**	**-**
Other comprehensive income on items that will not be reclassified to profit or loss from discontinued operations	4.12	**-**	**-**
Other comprehensive income on items that will not be reclassified subsequently to profit or loss net of income tax	4.12	**(290)**	**662**
Gains and losses on translation adjustments	4.12	(218)	292
Other comprehensive income on debt instruments that may be reclassified to profit or loss	4.12	(25)	(34)
Gains and losses on hedging derivative instruments	4.12	1,001	(2,666)
Insurance finance income or expenses recognised in other comprehensive income that will be reclassified to profit or loss		-	-
Insurance finance income or expenses related to reinsurance contracts held recognised in other comprehensive income		-	-
Pre-tax other comprehensive income on items that may be reclassified to profit or loss excluding equity-accounted entities	4.12	**758**	**(2,408)**
Pre-tax other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities, Group Share	4.12	**-**	**-**
Income tax related to items that may be reclassified to profit or loss excluding equity-accounted entities	4.12	**(252)**	**696**
Income tax related to items that may be reclassified to profit or loss on equity-accounted entities	4.12	**-**	**-**
Other comprehensive income on items that may be reclassified to profit or loss from discontinued operations	4.12	**-**	**4**
Other comprehensive income on items that may be reclassified subsequently to profit or loss net of income tax	4.12	**506**	**(1,708)**
OTHER COMPREHENSIVE INCOME NET OF INCOME TAX	4.12	**216**	**(1,046)**
NET INCOME AND OTHER COMPREHENSIVE INCOME		**2,473**	**801**
Of which Group share		2,459	790
Of which non-controlling interests		14	11
[1] Amount of items that will not be reclassified in profit or loss transferred to reserves	*4.12*	*4*	*18*

2.3. Balance sheet - assets

In millions of euros	Notes	31.12.2023	31.12.2022
Cash, central banks	6.1	77,175	78,711
Financial assets at fair value through profit or loss	3.1 - 3.2 - 6.2 - 6.6	349,710	295,492
Financial assets held for trading		349,401	295,043
Other financial instruments at fair value through profit or loss		309	449
Hedging derivative Instruments	3.3 - 3.5	2,271	2,611
Financial assets at fair value through other comprehensive income	3.1 - 3.2 - 6.4 - 6.6	10,558	10,772
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss		10,195	10,436
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss		363	336
Financial assets at amortised cost	3.1 - 3.2 - 3.4 - 6.5 - 6.6	265,410	274,396
Loans and receivables due from credit institutions		58,358	60,494
Loans and receivables due from customers		172,624	179,186
Debt securities		34,428	34,716
Revaluation adjustment on interest rate hedged portfolios		-	-
Current and deferred tax assets	6.9	1,798	1,551
Accruals, prepayments and sundry assets	6.10	47,717	62,183
Non-current assets held for sale and discontinued operations		-	-
Insurance contracts issued that are assets		-	-
Reinsurance contracts held that are assets		-	-
Investments in equity-accounted entities	6.11	-	-
Investment property		-	-
Property, plant and equipment	6.12	1,108	938
Intangible assets	6.12	506	462
Goodwill	6.13	1,114	1,086
TOTAL ASSETS		**757,367**	**728,202**

2.4. Balance sheet - liabilities

In millions of euros	Notes	31.12.2023	31.12.2022
Central banks	6.1	27	33
Financial liabilities at fair value through profit or loss	6.2	350,487	303,316
Held for trading financial liabilities		295,606	274,534
Financial liabilities designated at fair value through profit or loss		54,881	28,782
Hedging derivative Instruments	3.3 - 3.5	3,993	5,141
Financial liabilities at amortised cost	6.7	320,657	335,021
Due to credit institutions	3.4 - 6.7	67,365	79,781
Due to customers	3.1 - 3.4 - 6.7	183,332	186,851
Debt securities	3.4 - 6.7	69,960	68,389
Revaluation adjustment on interest rate hedged portfolios		(191)	(368)
Current and deferred tax liabilities	6.9	2,326	2,198
Accruals, deferred income and sundry liabilities	6.10	44,729	49,268
Liabilities associated with non-current assets held for sale and discontinued operations		-	-
Insurance contracts issued that are liabilities		-	-
Reinsurance contracts held that are liabilities		-	-
Provisions	6.14	1,017	922
Subordinated debt	3.4 - 6.15	4,254	4,293
Total Liabilities		**727,299**	**699,824**
Equity		**30,068**	**28,378**
Equity - Group share		**29,937**	**28,255**
Share capital and reserves		19,683	19,413
Consolidated reserves		8,705	7,914
Other comprehensive income	4.12	(692)	(910)
Other comprehensive income on non-current assets held for sale and discontinued operations		-	-
Net income (loss) for the year		2,241	1,838
Non-controlling interests		**131**	**123**
TOTAL LIABILITIES AND EQUITY		**757,367**	**728,202**

2.5. Statement of changes in equity

	Group share									
	Share and capital reserves					Other comprehensive income				
In millions of euros	Share capital	Share premium and consolidated reserves	Elimination of treasury shares	Other equity instruments	Total capital and consolidated reserves	Other comprehensive income on items that may be reclassified to profit and loss	Other comprehensive income on items that will not be reclassified to profit and loss	Total other comprehensive income	Net income	Total equity
Equity at 1st January 2022 published	**7,852**	**11,849**	**-**	**6,561**	**26,262**	**705**	**(567)**	**138**	**-**	**26,400**
Impacts of new accounting standards, IFRIC decisions/ interpretations	-	-	-	-	-	-	-	-	-	-
Equity at 1st January 2022	**7,852**	**11,849**	**-**	**6,561**	**26,262**	**705**	**(567)**	**138**	**-**	**26,400**
Capital increase	-	-	-	-	-	-	-	-	-	-
Changes in treasury shares held	-	-	-	-	-	-	-	-	-	-
Issuance / Redemption of equity instruments	-	-	-	2,080	2,080	-	-	-	-	2,080
Remuneration of undated deeply subordinated notes	-	-	-	(463)	(463)	-	-	-	-	(463)
Dividends paid in 2022	-	(553)	-	-	(553)	-	-	-	-	(553)
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	-	-	-	-	-	-
Changes due to share-based payments	-	2	-	-	2	-	-	-	-	2
Changes due to transactions with shareholders	**-**	**(551)**	**-**	**1,617**	**1,066**	**-**	**-**	**-**	**-**	**1,066**
Changes in other comprehensive income	**-**	**(19)**	**-**	**-**	**(19)**	**(1,705)**	**657**	**(1,048)**	**-**	**(1,067)**
Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves	-	(14)	-	-	(14)	-	14	14	-	-
Of which other comprehensive income attributable to changes in own credit risk reclassified to consolidated reserves	-	(4)	-	-	(4)	-	4	4	-	-
Share of changes in equity-accounted entities	-	-	-	-	-	-	-	-	-	-
Net income for 2022	-	-	-	-	-	-	-	-	1,838	1,838
Other variations	-	18	-	-	18	-	-	-	-	18
Equity at 31 December 2022	**7,852**	**11,297**	**-**	**8,178**	**27,327**	**(1,000)**	**90**	**(910)**	**1,838**	**28,255**
Appropriation of 2022 net income	-	1,838	-	-	1,838	-	-	-	(1,838)	-
Equity at 1st January 2023	**7,852**	**13,135**	**-**	**8,178**	**29,165**	**(1,000)**	**90**	**(910)**	**-**	**28,255**
Impacts of new accounting standards, IFRIC decisions/ interpretations	-	-	-	-	-	-	-	-	-	-
Equity at 1st January 2023 restated	**7,852**	**13,135**	**-**	**8,178**	**29,165**	**(1,000)**	**90**	**(910)**	**-**	**28,255**
Capital increase	-	-	-	-	-	-	-	-	-	-
Changes in treasury shares held	-	-	-	-	-	-	-	-	-	-
Issuance / Redemption of equity instruments	-	-	-	270	270	-	-	-	-	270
Remuneration of undated deeply subordinated notes	-	-	-	(693)	(693)	-	-	-	-	(693)
Dividends paid in 2023	-	(343)	-	-	(343)	-	-	-	-	(343)
Dividends received from Regional Banks and subsidiaries	-	-	-	-	-	-	-	-	-	-
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	-	-	-	-	-	-
Changes due to share-based payments	-	9	-	-	9	-	-	-	-	9
Changes due to transactions with shareholders	**-**	**(334)**	**-**	**(423)**	**(757)**	**-**	**-**	**-**	**-**	**(757)**
Changes in other comprehensive income	**-**	**(4)**	**-**	**-**	**(4)**	**504**	**(286)**	**218**	**-**	**214**
Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves	-	(8)	-	-	(8)	-	8	8	-	-
Of which other comprehensive income attributable to changes in own credit risk reclassified to consolidated reserves	-	3	-	-	3	-	(3)	(3)	-	-
Share of changes in equity-accounted entities	-	-	-	-	-	-	-	-	-	-
Net income for 2023	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,241**	**2,241**
Other variations	-	(16)	-	-	(16)	-	-	-	-	(16)
EQUITY AT 31 DECEMBER 2023	**7,852**	**12,781**	**-**	**7,755**	**28,388**	**(496)**	**(196)**	**(692)**	**2,241**	**29,937**

In millions of euros	Non-controlling interests					
		Other comprehensive income				
	Capital, associated reserves and income	Other comprehensive income on items that may be reclassified to profit and loss	Other comprehensive income on items that will not be reclassified to profit and loss	Total other comprehensive income	Total equity	Total consolidated equity
Equity at 1st January 2022 published	**122**	**1**	**(3)**	**(2)**	**120**	**26,520**
Impacts of new accounting standards, IFRIC decisions/ interpretations	-	-	-	-	-	-
Equity at 1st January 2022	**122**	**1**	**(3)**	**(2)**	**120**	**26,520**
Capital increase	-	-	-	-	-	-
Changes in treasury shares held	-	-	-	-	-	-
Issuance / Redemption of equity instruments	-	-	-	-	-	2,080
Remuneration of undated deeply subordinated notes	-	-	-	-	-	(463)
Dividends paid in 2022	(8)	-	-	-	(8)	(561)
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	-	-
Changes due to share-based payments	-	-	-	-	-	2
Changes due to transactions with shareholders	**(8)**	**-**	**-**	**-**	**(8)**	**1,058**
Changes in other comprehensive income	**-**	**(3)**	**5**	**2**	**2**	**(1,065)**
Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves	-	-	-	-	-	-
Of which other comprehensive income attributable to changes in own credit risk reclassified to consolidated reserves	-	-	-	-	-	-
Share of changes in equity-accounted entities	-	-	-	-	-	-
Net income for 2022	9	-	-	-	9	1,847
Other variations	-	-	-	-	-	18
Equity at 31 December 2022	**123**	**(2)**	**2**	**-**	**123**	**28,378**
Appropriation of 2022 net income	-	-	-	-	-	-
Equity at 1st January 2023	**123**	**(2)**	**2**	**-**	**123**	**28,378**
Impacts of new accounting standards, IFRIC decisions/ interpretations	-	-	-	-	-	-
Equity at 1st January 2023 restated	**123**	**(2)**	**2**	**-**	**123**	**28,378**
Capital increase	-	-	-	-	-	-
Changes in treasury shares held	-	-	-	-	-	-
Issuance / Redemption of equity instruments	-	-	-	-	-	270
Remuneration of undated deeply subordinated notes	-	-	-	-	-	(693)
Dividends paid in 2023	(12)	-	-	-	(12)	(355)
Dividends received from Regional Banks and subsidiaries	-	-	-	-	-	-
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	-	-
Changes due to share-based payments	-	-	-	-	-	9
Changes due to transactions with shareholders	**(12)**	**-**	**-**	**-**	**(12)**	**(769)**
Changes in other comprehensive income	**-**	**2**	**(4)**	**(2)**	**(2)**	**212**
Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves	-	-	-	-	-	-
Of which other comprehensive income attributable to changes in own credit risk reclassified to consolidated reserves	-	-	-	-	-	-
Share of changes in equity-accounted entities	-	-	-	-	-	-
Net income for 2023	**16**	**-**	**-**	**-**	**16**	**2,257**
Other variations	6	-	-	-	6	(10)
EQUITY AT 31 DECEMBER 2023	**133**	**-**	**(2)**	**(2)**	**131**	**30,068**

2.6. Cash flow statement

The cash flow statement is presented using the indirect method.

Operating activities are the Crédit Agricole CIB group's revenue generating activities.

Tax inflows and outflows are included in full within operating activities.

Investment activities show the impact of cash inflows and outflows associated with purchases and sales of investments in consolidated and non-consolidated companies, property, plant and equipment and intangible assets. This section includes strategic equity investments recorded under "fair value through profit or loss" or "fair value through other comprehensive income that cannot be reclassified to profit or loss".

Financing activities show the impact of cash inflows and outflows associated with other comprehensive income and long term financing.

Net cash flows attributable to operating, investment and financing activities from **discontinued operations** are recorded under separate headings in the cash flow statement.

Net cash and cash equivalents include cash, amounts due to and from central banks and demand accounts (assets and liabilities) and loans held with credit institutions.

In millions of euros	Notes	31.12.2023	31.12.2022
Pre-tax income		**2,827**	**2,333**
Net depreciation and impairment of property, plant & equipment and intangible assets		233	246
Impairment of goodwill and other fixed assets	6.13	-	-
Net addition to provisions		148	280
Share of net income (loss) of equity-accounted entities		(1)	-
Net income (loss) from investment activities		(2)	2
Net income (loss) from financing activities		388	161
Other movements		1,185	(332)
Total non-cash and other adjustment items included in pre-tax income		**1,951**	**357**
Change in interbank items		(10,806)	(19,230)
Change in customer items		6,099	15,788
Change in financial assets and liabilities		(5,703)	25,130
Change in non-financial assets and liabilities		9,393	(12,118)
Dividends received from equity-accounted entities		1	-
Taxes paid		(852)	(382)
Net change in assets and liabilities used in operating activities		**(1,868)**	**9,188**
Cash provided (used) by discontinued operations		2	6
Total net cash flows from (used by) operating activities (A)		**2,912**	**11,884**
Change in equity investments [1]		(38)	(21)
Change in property, plant & equipment and intangible assets		(212)	(180)
Cash provided (used) by discontinued operations		-	-
Total net cash flows from (used by) investing activities (B)		**(250)**	**(201)**
Cash received from (paid to) shareholders [2]		(779)	1,063
Other cash provided (used) by financing activities [3]		(2,541)	(745)
Cash provided (used) by discontinued operations		-	-
Total net cash flows from (used by) financing activities (C)		**(3,320)**	**318**
Impact of exchange rate changes on cash and cash equivalents (D)		**(2,718)**	**(1,153)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT (A + B + C + D)		**(3,376)**	**10,848**
Cash and cash equivalents at beginning of period		**72,861**	**62,013**
Net cash accounts and accounts with central banks *		78,668	63,840
Net demand loans and deposits with credit institutions **		(5,807)	(1,827)
Cash and cash equivalents at end of period		**69,485**	**72,861**
Net cash accounts and accounts with central banks *		77,130	78,668
Net demand loans and deposits with credit institutions **		(7,645)	(5,807)
NET CHANGE IN CASH AND CASH EQUIVALENTS		**(3,376)**	**10,848**

** Consisting of the net balance of the Cash and central banks item, excluding accrued interest and including cash of entities reclassified as discountinued operations.*

*** Consisting of the balance of Performing current accounts in debit and Performing overnight accounts and advances as detailed in Note 6.5 and Current accounts in credit and overnight accounts and advances as detailed in Note 6.7 (excluding accrued interest).*

[1] Flows related to equity investments: This line includes net impacts of acquisitions and disposals of consolidated equity investments on cash. These operations are not significant at 31 December 2023.

[2] Cashflows from or for shareholders: For the year 2023, this amount includes the payment of Crédit Agricole CIB dividends to its shareholders, especially Crédit Agricole S.A., for - €343 million, an AT1 issuance subscribed by Crédit Agricole S.A for + €270 million and a payment of interest under the AT1 issue of - €693 million.

[3] Other cash provided (used) by financing activities: This line mainly consists of the redemption of SNP for - €2,082 million against Crédit Agricole S.A. London and the settlement of coupons on AT2 issues and on SNP for - €368 million.

Detailed notes contents

3. NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: GROUP ACCOUNTING POLICIES AND PRINCIPLES, JUDGEMENTS AND ESTIMATES APPLIED

1.1 Applicable standards and comparability

Pursuant to EC Regulation No. 1606/2002, the consolidated financial statements have been prepared in accordance with IAS/IFRS and IFRIC applicable at 31 December 2023 and as adopted by the European Union (carve-out version), by using certain exceptions in the application of IAS 39 on macro-hedge accounting.

These standards are available on the website of the European Commission at the following address: https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting/financial-reporting_en

The standards and interpretations are the same as those applied and described in the Group's financial statements at 31 December 2022.

They have been supplemented by the provisions of those IFRS as endorsed by the European Union at 31 December 2023 and that must be applied in 2023 for the first time.

They cover the following:

Standards, amendments or interpretations	Date of first-time application: financial years from	Material impact in the Group
IFRS 17 IFRS 17 replace standard IFRS 4 "Insurance contract"	1st January 2023	No
Amendments to IFRS 17 Comparative disclosures to the first joint application of IFRS 17 and IFRS 9	1st January 2023	No
IAS 1 Informations to be provided on accounting policies	1st January 2023	No
IAS 8 Definition of accounting estimates	1st January 2023	No
IAS 12 Deferred tax related to assets and liabilities arising from the same transaction	1st January 2023	No
IAS 12 Pillar 2 international tax reform	1st January 2023	No

Furthermore, when the early application of standards and interpretations adopted by the European Union is optional over a period, the option is not used by the Group, unless specifically stated.

Standards and interpretations not yet adopted by the European Union as at 31 December 2023

The standards and interpretations published by the IASB at 31 December 2023, but not yet adopted by the European Union are not applicable by the Group. Their application will become mandatory from the date specified by the European Union and they were therefore not applied by the Group at 31 December 2023.

IFRS IC decisions, finalised and approved by the IASB, that may affect the Group

No decision significantly impacting the Group at 31 December 2023.

1.2 Accounting principles and methods

1.2.1 USE OF JUDGEMENTS AND ESTIMATES IN THE PREPARATION OF THE FINANCIAL STATEMENTS

By their nature, the assessments necessary for the production of the consolidated financial statements are based on certain assumptions and are subject to risks and uncertainties relating to their future occurrence.

Future achievements can be influenced by a number of factors, including:

- domestic and international market activities;
- fluctuations in interest and foreign exchange rates;
- economic and political conditions in certain business sectors or countries;
- changes in regulations or legislation.

This is not an exhaustive list.

Accounting estimates that require assumptions are mainly used for the following valuations:

- financial instruments measured at fair value (including non-consolidated investments);
- pension plans and other future employee benefits;
- stock options plans;
- impairment of debt instruments at amortised cost or at fair value through other comprehensive income that may be reclassified to profit or loss;
- provisions;
- goodwill impairment;
- deferred tax assets;
- the valuation of equity-accounted entities.

The procedures for using judgements or estimates are set out in the relevant paragraphs below.

1.2.2 FINANCIAL INSTRUMENTS (IFRS 9, IFRS 13, IAS 32 AND 39)

Definitions

IAS 32 defines a financial instrument as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity, i.e. any contract representing a contractual right or obligation to receive or deliver cash or another financial asset.

Financial assets and liabilities are treated in the financial statements in accordance with the provisions of IFRS 9 as adopted by the European Union, including financial assets held by the Group's insurance entities.

Derivative instruments are financial assets or liabilities whose value changes in line with that of an underlying (provided that, in the case of a non-financial variable, it is not specific to one of the parties to the contract), which require a low or zero initial investment and which are settled at a future date.

IFRS 9 sets out the principles for the classification and measurement of financial instruments, impairment/provisioning of credit risk and hedge accounting, excluding macro-hedges.

However, it is specified that Crédit Agricole CIB uses the option not to apply the general hedging model of IFRS 9. As a result, all hedging relationships remain within the scope of IAS 39 pending future macro-hedging provisions.

"Green" or "ESG" financial assets and so-called "green bond" financial liabilities include a variety of instruments, including loans or borrowing to finance environmental projects or ecological transition. It should be noted that not all financial instruments subject to these qualifications necessarily have a variable remuneration based on ESG criteria. This terminology may change depending on future European regulations related to sustainable finance. These instruments are recognised in accordance with IFRS 9 in accordance with the principles set out below. In particular, loans for which the indexation of the remuneration of the ESG criterion does not introduce leverage or is considered as non-material in terms of variability of the instrument's cash flows are not considered to have failed the SPPI test based on this criterion alone.

As part of its Post-implementation Review (PIR) of IFRS 9, the IASB decided, in May 2022, to initiate work to amend IFRS 9 in order to clarify the procedures for applying the SPPI test to this type of financial asset. An exposure draft was issued in March 2023 and the call for comments period was open until 19 July 2023. The IASB plans to publish an amendment to IFRS 9 during 2024, which will then be subject to the process of adoption by the European Union.

Conventions for valuing financial assets and liabilities

INITIAL MEASUREMENT

On initial recognition, financial assets and liabilities are measured at fair value as defined by IFRS 13.

Fair value as defined by IFRS 13 is the price that would be received for the sale of an asset or paid for the transfer of a liability in an ordinary transaction between market participants, in the principal or most advantageous market, at the valuation date.

SUBSEQUENT MEASUREMENT

After initial recognition, financial assets and liabilities are measured according to their classification either at amortised cost using the effective interest rate (EIR) method for debt instruments, or at their fair value as defined by IFRS 13. Derivatives are always measured at fair value.

Amortised cost corresponds to the amount at which the financial asset or financial liability is measured on initial recognition, including transaction costs directly attributable to its acquisition or issue, less principal repayments, plus or minus the accumulated amortisation - calculated using the effective interest method - of any difference (discount or premium) between the initial amount and the amount at maturity. In the case of a financial asset at amortised cost or at fair value through other comprehensive income that may be reclassified to profit or loss, the amount may be adjusted if necessary for impairment losses (see paragraph "Provision for credit risk").

The effective interest rate (EIR) is the rate that discounts the future cash outflows or receipts planned over the expected life of the financial instrument or, as the case may be, over a shorter period in order to obtain the net book value of the financial asset or liability.

Financial assets

CLASSIFICATION AND MEASUREMENT OF FINANCIAL ASSETS

Non-derivative financial assets (debt or equity instruments) are classified in the balance sheet in accounting categories that determine their accounting treatment and their subsequent valuation mode.

The criteria for the classification and valuation of financial assets depend on the nature of the financial assets, according to whether they are qualified as:

- debt instruments (for example fixed or determinable-income securities and loans); or
- equity instruments (for example, shares).

These financial assets are classified in one of the following three categories:

- financial assets at fair value through profit or loss;
- financial assets at amortised cost (debt instruments only);
- financial assets at fair value through other comprehensive income (for debt instruments, that may be reclassified to profit or loss; for equity instruments, that cannot be reclassified to profit or loss).

DEBT INSTRUMENT

The classification and measurement of a debt instrument depends on two criteria: the business model defined at the portfolio level and the analysis of contractual characteristics determined by debt instrument, unless the fair value option is used.

The three business models:

The business model is representative of Crédit Agricole CIB's management strategy for managing its financial assets, in order to achieve its objectives. The business model is specified for a portfolio of assets and does not constitute an intention on a case-by-case basis for an isolated financial asset.

There are three business models:

- The "hold to collect" model, the objective of which is to collect contractual cash flows over the life of the assets; this model does not systematically involve holding all of the assets until their contractual maturity; however, the sale of assets is strictly controlled;
- The "hold to collect and sell" model, the objective of which is to collect cash flows over the life of the asset and to dispose

of the assets; under this model, the sale of financial assets and the collection of cash flows are both essential; and

- The "other/sale" model, the main objective of which is to sell the assets.

  In particular, it concerns portfolios whose objective is to collect cash flows through disposals, portfolios whose performance is assessed on the basis of its fair value and portfolios of financial assets held for trading.

  When the strategy followed by management for the management of financial assets does not correspond to the "hold to collect" or "collect and sell" model, these financial assets are classified in a portfolio with an "other/sell" business model.

Contractual characteristics ("Solely Payments of Principal & Interests" or "SPPI" test):

The SPPI test combines a set of criteria, examined cumulatively, to determine whether the contractual cash flows meet the characteristics of a simple financing (principal repayments and interest payments on the principal amount outstanding).

The conditions for the test are met when the financing is eligible only for the repayment of the principal and when the payment of interest received reflects the time value of money, the credit risk associated with the instrument, the other costs and risks of a traditional loan agreement and a reasonable margin, whether the interest rate is fixed or variable.

In simple financing, interest represents the cost of time, the price of credit and liquidity risk over the period and other components related to the cost of carrying the asset (e.g. administrative costs, etc.).

In some cases, this qualitative analysis does not make it possible to conclude, a quantitative analysis (or Benchmark text) is carried out. This additional analysis consists of comparing the contractual cash flows of the asset under consideration and the cash flows of a reference asset.

If the difference between the cash flows of the financial asset and that of the reference is considered immaterial, the asset is considered as a simple financing.

In addition, a specific analysis will be carried out in the event that the financial asset is issued by special purpose entities setting an order of priority for payment among the holders of the financial assets by contractually linking multiple instruments and creating concentrations of credit risk ("tranches").

Each tranche is assigned a subordination ranking which specifies the order of distribution of the cash flows generated by the structured entity.

In this case, the SPPI test requires an analysis of the contractual cash flow characteristics of the asset in question and the underlying assets according to the look-through approach and the credit risk borne by the subscribed tranches compared to the credit risk of the underlying assets.

The accounting method for debt instruments resulting from the qualification of the business model coupled with the SPPI test can be presented in the form of the diagram below:

DEBT INSTRUMENTS		BUSINESS MODELS		
		DATA COLLECTION	HOLD TO COLLECT AND SELL	OTHER / SELL
SPPI TEST	SATISFIED	Amortised cost	Fair value through other comprehen-sive income recyclable to income	Fair value through profit or loss (SPPI test N/A)
	NOT SATISFIED	Fair value through profit or loss	Fair value through profit or loss	

Debt instruments at amortised cost

Debt instruments are measured at amortised cost if they are eligible for the "hold to collect" model and if they meet the conditions of the SPPI test.

They are recorded at the settlement date and their initial valuation also includes accrued coupons and transaction costs.

The amortisation of any premiums/discounts and transaction costs of loans and receivables and fixed-income securities is recognised in profit or loss using the effective interest rate method.

This category of financial instruments is subject to ECL (Expected Credit Losses) adjustments under the conditions described in the specific paragraph "Impairment/Provision for credit risk".

Debt instruments at fair value through other comprehensive income that can be reclassified to profit or loss

Debt instruments are measured at fair value through other comprehensive income on items may be reclassified to profit or loss if they are eligible for the collect and sell model and if they meet the conditions of the SPPI test.

They are recorded at the trade date and their initial valuation also includes accrued coupons and transaction costs. Amortisation of any premiums or discounts and transaction costs on fixed-income securities is recognised in profit or loss using the effective interest rate method.

These financial assets are subsequently measured at fair value and changes in fair value are recognised in other comprehensive income that may be reclassified to profit or loss with an offsetting entry in outstandings (excluding accrued interest recognised in profit or loss using the effective interest rate method).

In the event of a disposal, these changes are transferred to profit or loss.

This category of financial instrument is subject to ECL adjustments under the conditions described in the specific paragraph "Impairment/Provision for credit risk" (without this affecting the fair value on the balance sheet).

Debt instruments at fair value through profit or loss

Debt instruments are measured at fair value through profit or loss in the following cases:

- The instruments are classified in portfolios consisting of financial assets held for trading or whose main objective is disposal; Financial assets held for trading are assets acquired or generated by the company primarily for the purpose of selling them in the short term or that are part of a portfolio of instruments jointly managed for the purpose of making a profit related to short-term price fluctuations or an arbitrage margin. Although contractual cash flows are received during the time that Crédit Agricole CIB holds the assets, the collection of these contractual cash flows is not essential but ancillary.
- Debt instruments that do not meet the SPPI test criteria. This is particularly the case for UCIs (Undertakings for Collective Investment);
- Financial instruments classified in portfolios for which Crédit Agricole CIB chooses fair value measurement in order to reduce a difference in accounting treatment in the income statement. In this case, they are designated at fair value through profit or loss.

Financial assets measured at fair value through profit or loss are initially recognised at fair value, excluding transaction costs (directly recorded in profit or loss) and including accrued interest.

They are subsequently measured at fair value and changes in fair value are recognised in profit or loss under Net Banking Income, with an offsetting entry in outstandings. Interests on these instruments are recognised under "Net gains or losses on financial instruments at fair value through profit or loss".

This category of financial assets is not subject to impairment in respect of credit risk.

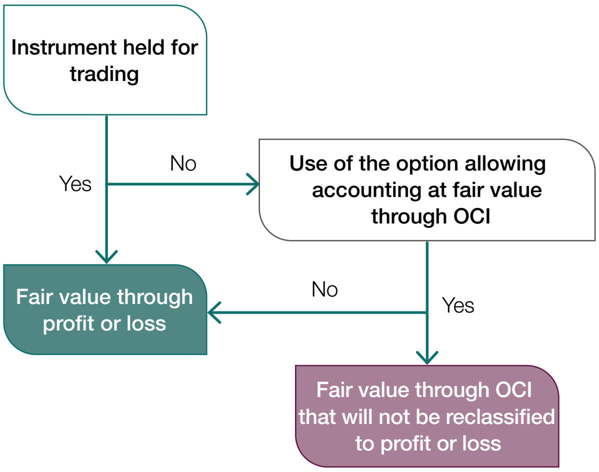
Debt instruments measured at fair value through profit or loss by type whose business model is "Other/sale" are recorded at the trade date.

Debt instruments designated at fair value through profit or loss are recorded at the trade date.

Debt instruments measured at fair value through profit or loss by type, if the SPPI test fails, are recorded on the settlement-delivery date.

EQUITY INSTRUMENTS

Equity instruments are recognised at fair value through profit or loss by default, unless they are irrevocable for classification and measurement at fair value through other comprehensive income that cannot be reclassified to profit or loss, provided that these instruments are not held for trading.



Equity instruments at fair value through profit or loss

Financial assets measured at fair value through profit or loss are initially recognised at fair value, excluding transaction costs (directly recognised in profit or loss). Equity instruments held for trading are recorded at the trade date. Equity instruments measured at fair value through profit or loss and not held for trading are recorded at the settlement-delivery date.

They are subsequently measured at fair value and changes in fair value are recognised in profit or loss under Net Banking Income, with an offsetting entry in outstandings.

This category of financial assets is not subject to impairment.

Equity instrument recognised at fair value through other comprehensive income that cannot be reclassified to profit or loss (by irrevocable option)

The irrevocable option to recognise equity instruments at fair value through other comprehensive income that cannot be reclassified to profit or loss is used at the transactional level (line by line) and applies at the initial recognition date. These securities are recorded at the trade date.

The initial fair value includes transaction costs.

In subsequent measurements, changes in fair value are recognised in other comprehensive income that cannot be reclassified to profit or loss. In the event of disposal, these changes are not reclassified to profit or loss; the gain or loss on disposal is recognised in other comprehensive income.

Only dividends are recognised in profit or loss if:

- the entity's right to receive payment is established;
- it is likely that the economic benefits associated with dividends will flow to the entity;
- the amount of dividends can be reliably measured.

This category of financial assets is not subject to impairment.

RECLASSIFICATION OF FINANCIAL ASSETS

In the event of a significant change in the business model in the management of financial assets (new activity, acquisition of entities, disposal or abandonment of a significant activity), these financial assets must be reclassified. The reclassification applies to all financial assets in the portfolio from the reclassification date.

In other cases, the business model remains unchanged for existing financial assets. If a new business model is identified, it applies prospectively to new financial assets, grouped into a new management portfolio.

TEMPORARY PURCHASES AND SALES OF SECURITIES

Temporary sales of securities (securities lending, securities sold under repurchase agreements) do not generally meet the conditions for derecognition.

Securities lent or repurchased are maintained on the balance sheet. In the case of repurchased securities, the amount received, representing the debt to the transferee, is recorded on the liabilities side of the balance sheet by the transferor.

Securities borrowed or received under reverse repurchase agreements are not recorded on the transferee's balance sheet.

In the case of repurchased securities, a receivable in respect of the transferor is recorded on the transferee's balance sheet against the amount paid. In the event of subsequent resale of the security, the transferee recognises a liability measured at fair value in respect of its obligation to return the security under the repurchase agreement.

Income and expenses relating to these transactions are recorded in the income statement on a pro rata basis, except in the event of the classification of assets and liabilities at fair value through profit or loss.

DERECOGNITION OF FINANCIAL ASSETS

A financial asset (or group of financial assets) is derecognised in whole or in part:

- when the contractual rights to the cash flows linked to it expire;
- or are transferred or treated as such because they belong de facto to one or more beneficiaries; and when substantially all the risks and rewards of the financial asset are transferred.

In this case, all rights and obligations created or retained at the time of the transfer are recognised separately as assets and liabilities.

When the contractual rights to the cash flows are transferred but only a portion of the risks and rewards, as well as control, are retained, Crédit Agricole CIB continues to recognise the financial asset to the extent of its continuing involvement in that asset.

Financial assets renegotiated for commercial reasons in the absence of financial difficulties of the counterparty and for the purpose of developing or maintaining a business relationship are derecognised at the renegotiation date. New loans granted to customers are recorded at fair value at the renegotiation date. Subsequent recognition depends on the business model and the SPPI test.

◆ Financial liabilities

CLASSIFICATION AND MEASUREMENT OF FINANCIAL LIABILITIES

Financial liabilities are classified in the balance sheet in the following two accounting categories:

- financial liabilities at fair value through profit or loss, by type or by option;
- financial liabilities at amortised cost.

Financial liabilities at fair value through profit or loss by type

Financial instruments issued primarily for the purpose of being redeemed in the short term, instruments that are part of a portfolio of identified financial instruments that are managed together and which show evidence of a recent short-term profit-taking profile and derivatives (with the exception of certain hedging derivatives) are measured at fair value by type.

Changes in the fair value of this portfolio are recognised through profit or loss.

Financial liabilities at fair value through profit or loss by option

Financial liabilities corresponding to one of the three cases defined by the standard below may be designated for measurement at fair value through profit or loss: hybrid issues including one or more separable embedded derivatives, reduction or elimination of accounting mismatches or groups of managed financial liabilities for which performance is measured at fair value.

This option is irrevocable and must be applied at the date of initial recognition of the instrument.

On subsequent measurements, these financial liabilities are measured at fair value through profit or loss for changes in fair value not related to own credit risk and against other comprehensive income that cannot be reclassified to profit or loss for changes in value related to own credit risk unless this aggravates the accounting mismatch (in which case changes in value related to own credit risk are recognised in profit or loss, as required by the standard).

Issues structured by Crédit Agricole CIB are classified as financial liabilities designated at fair value through profit or loss. These liabilities are part of portfolios of assets and liabilities managed at fair value and whose performance is measured on a fair value basis. In accordance with IFRS 13, their fair value measurement includes the change in the Group's own credit risk.

Financial liabilities evaluated at amortised cost

All other liabilities that meet the definition of a financial liability (excluding derivatives) are measured at amortised cost.

These liabilities are recognised at fair value at initial recognition (including transaction income and costs) and are subsequently recognised at amortised cost using the effective interest rate method.

RECLASSIFICATION OF FINANCIAL LIABILITIES

The initial classification of financial liabilities is irrevocable. No subsequent reclassification is permitted.

DISTINCTION BETWEEN DEBT AND SHAREHOLDERS' EQUITY

The distinction between debt instruments and equity instruments is based on an analysis of the substance of the contractual arrangements.

A financial liability is a debt instrument if it includes a contractual obligation to:

- deliver cash, another financial asset or a variable number of equity to another entity; or
- exchange financial assets and liabilities with another entity under potentially unfavourable conditions.

An equity instrument is a non-refundable financial instrument which offers discretionary return representing a residual interest in an undertaking after deduction of all its financial liabilities (net assets) and which is not qualified as a debt instrument.

DERECOGNITION AND MODIFICATION OF FINANCIAL LIABILITIES

A financial liability is derecognised in whole or in part:

- when it is extinguished; or
- when the quantitative or qualitative analyses conclude that it has been substantially modified in the event of a restructuring.

A substantial change in an existing financial liability shall be recorded as an extinguishment of the original financial liability and the recognition of a new financial liability (the novation). Any difference between the carrying amount of the extinguished liability and the new liability will be recognised immediately in the income statement.

If the financial liability is not derecognised, the original effective interest rate is maintained. A discount/premium is recognised immediately in the income statement at the date of modification and then spread out at the initial effective interest rate over the residual life of the instrument.

◆ Negative interest on financial assets and liabilities

In accordance with the January 2015 IFRS IC decision, negative interest income (expenses) on financial assets that do not meet the definition of income within the meaning of IFRS 15 are recognised as interest expenses in the income statement and not as a reduction in interest income. The same applies to negative interest expenses (income) on financial liabilities.

◆ Impairment/provisions for credit risk

SCOPE

In accordance with IFRS 9, Crédit Agricole CIB recognises a value adjustment for expected credit losses (ECLs) on the following outstandings:

- financial assets of debt instruments at amortised cost or at fair value through other comprehensive income that may be reclassified to profit or loss (loans and receivables, debt securities);
- financing commitments that are not measured at fair value through profit or loss;
- guarantee commitments falling under IFRS 9 and not measured at fair value through profit or loss;
- lease receivables subject to IFRS 16; and
- trade receivables generated by transactions under IFRS 15.

Equity instruments (at fair value through profit or loss or at fair value through other comprehensive income that will not be reclassified to profit or loss) are not affected by the impairment provisions.

Derivative instruments and other financial instruments measured at fair value through profit or loss are the subject of a counterparty risk calculation that is not covered by the ECL model. This calculation is described in Chapter 5 "Risks and Pillar 3" of the Crédit Agricole CIB Universal Registration Document.

CREDIT RISK AND IMPAIRMENT/PROVISION STAGES

Credit risk is defined as the risk of losses linked to the default of a counterparty resulting in its inability to meet its commitments regarding the Group.

The credit risk provisioning process distinguishes between three stages:

- Stage 1: from the initial recognition of the financial instrument (loan, debt security, guarantee, etc.), Crédit Agricole CIB recognises 12-month expected credit losses;
- Stage 2: if credit quality deteriorates significantly for a given transaction or portfolio, Crédit Agricole CIB recognises losses expected at maturity;
- Stage 3: once one or more default events have occurred on the transaction or on the counterparty, having an adverse effect on

estimated future cash flows, Crédit Agricole CIB recognises an incurred credit loss at maturity. Subsequently, if the conditions for classifying financial instruments in Stage 3 are no longer met, the financial instruments are reclassified to Stage 2, then Stage 1 depending on the subsequent improvement in the quality of credit risk.

Definition of default

The definition of default for ECL provisioning purposes is identical to that used in management and for regulatory ratio calculations. Thus, a debtor is considered to be in default when at least one of the following two conditions is met:

- significant arrears, generally when a payment is more than ninety days past due, unless specific circumstances point to the fact that the delay is due to reasons beyond the debtor's control;
- Crédit Agricole CIB considers that the debtor is unlikely to settle its credit obligations in full unless it avails itself of certain measures such as the enforcement of collateral.

A loan is deemed to be non-performing (Stage 3) when one or more events have occurred which have a negative effect on the future estimated cash flows of this financial asset. Evidence of impairment of a financial asset includes observable data about the following events:

- significant financial difficulties for the issuer or borrower;
- a breach of an agreement, such as a default or late payment;
- the granting by the lender(s) to the borrower, for economic or contractual reasons related to the borrower's financial difficulties, of one or more favours that the lender(s) would not have considered in other circumstances;
- an increasing probability of bankruptcy or financial restructuring of the borrower;
- the disappearance of an active market for the financial asset due to financial difficulties;
- the purchase or the creation of a financial asset with a large discount, which reflects the credit losses incurred.

It is not necessarily possible to isolate a particular event as the impairment of the financial asset could result from the combined effect of several events.

The counterparty in default returns to a performing situation only after an observation period (90 days) that confirms that the borrower is no longer in default (assessment by the Risk Division).

The concept of ECL (Expected Credit Loss)

The ECL is defined as the present value of probability-weighted estimated credit losses (principal and interest). It is the present value of the difference between contractual cash flows and expected cash flows (including principal and interest).

The ECL approach aims to recognise expected credit losses as soon as possible.

GOVERNANCE AND MEASUREMENT OF ECL

The governance of the IFRS 9 measurement system is based on the organisation set up under the Basel framework. The Group Risk Management Department is responsible for defining the methodological framework and for the supervision of the mechanism for provisioning exposures.

The Group relies primarily on the internal rating system and the current Basel processes to generate the IFRS 9 parameters needed to calculate expected credit losses. The assessment of changes in credit risk is based on a model that anticipates losses and extrapolation on the basis of reasonable scenarios. All available, relevant, reasonable and justifiable information, including forward looking information, must be used.

The calculation formula incorporates probability of default, loss given default and exposure at default parameters.

These calculations are largely based on internal models used for prudential monitoring, where they exist, with adjustments to determine an economic ECL. IFRS 9 recommends an analysis at the reporting date (Point in Time) while taking into account historical loss data and forward-looking macroeconomic data, while the prudential view is analysed through the cycle for the probability of default and in a downturn for loss in the event of default.

The accounting approach also involves recalculating certain Basel parameters, in particular to neutralise internal collection costs or floors imposed by the regulatory authorities for regulatory loss given default (LGD) calculations.

The methods for calculating expected credit losses are to be assessed according to the types of products: financial instruments and off-balance sheet instruments.

The 12-month expected credit loss (Stage 1) is a portion of lifetime expected credit losses (Stages 2 and 3), representing the lifetime cash flow shortfall occurring from a default within 12 months of the reporting date (or a shorter period if the financial instrument's expected life is shorter than 12 months), weighted by the probability of default within 12 months.

The expected credit loss is discounted using the effective interest rate determined on initial recognition of the financial instrument.

The ECL measurement methods take into account assets pledged as collateral and other credit enhancements that form part of the contractual terms and conditions and which Crédit Agricole CIB does not recognise separately. The estimation of the expected cash flow shortfalls from a guaranteed financial instrument reflects the amount and timing of the recovery of the guarantees.

In accordance with IFRS 9, the recognition of guarantees and collateral does not affect the assessment of a significant increase in credit risk: this is based on changes in the debtor's credit risk without taking into account guarantees.

Backtesting of models and parameters used is carried out at least on a yearly basis.

Forward-looking macro-economic data are taken into account in a methodological framework applicable at two levels:

- at the Group level, in determining a shared framework for taking into account forward looking data in the projection of PD and LGD parameters over the transaction amortisation period;
- at the level of each entity with regard to its own portfolios.

SIGNIFICANT DETERIORATION OF THE CREDIT RISK

All Group entities must assess, for each financial instrument, the increase in credit risk since initial recognition at each reporting date. This assessment of changes in credit risk leads the entities to classify their transactions by risk category (Stages).

To determine a significant deterioration, the Group applies a process with two levels of analysis:

- a first level using relative and absolute rules and criteria;
- a second level linked to the expert assessment, based on local forward-looking information, of the risk held by each entity in its portfolios that may lead to an adjustment in the Group Stage

2 reclassification criteria (switching a portfolio or sub-portfolio to ECL at maturity).

Significant deterioration is monitored, with few exceptions, for every financial instrument. No contagion is required for a financial instrument from the same counterparty to be transferred from Stage 1 to Stage 2. Monitoring of the significant deterioration in credit risk must cover the primary debtor, without taking into account guarantees, even for transactions guaranteed by the shareholder.

For exposures comprised of small loans with similar characteristics, the review by counterparty may be replaced by a statistical estimate of expected losses.

To measure the significant deterioration in credit risk since initial recognition, it is necessary to retrieve the internal rating and the PD (probability of default) applied on initial recognition.

The date of initial recognition refers to the trading date, when Crédit Agricole CIB becomes a party to the contractual provisions of the financial instrument. For financing and guarantee commitments, the date of initial recognition is the date on which the irrevocable commitment is made.

For the scope not covered by an internal rating model, Crédit Agricole Group uses amounts past due for more than 30 days as the ultimate threshold representing a significant deterioration in credit risk leading to classification in Stage 2.

For exposures (with the exception of securities) for which internal rating systems have been built (particularly those monitored using authorised methods), Crédit Agricole Group considers that all of the information included in the rating systems enables a more relevant assessment than the sole criteria of arrears of over 30 days.

If the significant deterioration in credit risk since initial recognition is no longer observed, the outstandings are reclassified to Stage 1 (performing loans) and the impairment is reduced to 12-month expected losses.

In order to compensate for the fact that certain factors or indicators of a significant deterioration are not identifiable at the level of a financial instrument considered separately, the standard authorizes an assessment of significant deterioration for portfolios, groups of portfolios or portions of portfolios of financial instruments.

The establishment of portfolios for an assessment of collective impairment can be based on common characteristics such as:

- the type of instrument;
- the credit risk rating (including the basel II internal rating for entities with an internal rating system);
- the type of guarantee;
- the date of initial recognition;
- the term to maturity;
- the sector of activity;
- the geographic location of the borrower;
- the value of the asset allocated as a guarantee in relation to the financial assets, if this has an effect on the probability of default (for example, in the case of loans guaranteed only by real security in certain countries, or the loan-to-value ratio);
- the distribution channel, the purpose of the loan, etc.

The grouping of financial instruments for the purpose of assessing changes in credit risk on a collective basis may change over time as new information becomes available.

For securities, Crédit Agricole CIB uses the approach of applying an absolute level of credit risk, in accordance with IFRS 9, below which the exposures will be classified in Stage 1 and impaired on the basis of a 12-month ECL.

Thus, the following rules will apply to the monitoring of the significant deterioration in securities:

- securities rated “Investment Grade” at the reporting date will be classified in Stage 1 and provisioned on the basis of a 12-month ECL;
- securities rated “Non-Investment Grade” (NIG), at the reporting date, must be monitored for significant deterioration since initial recognition and be classified in Stage 2 (ECL at maturity) in the event of a significant increase in credit risk.

The relative deterioration must be assessed prior to the occurrence of a proven default (Stage 3).

RESTRUCTURING DUE TO FINANCIAL DIFFICULTIES

Debt instruments restructured due to financial difficulties are those for which Crédit Agricole CIB has changed the initial financial terms (interest rate, maturity, etc.) for economic or legal reasons related to the borrower’s financial difficulties, in a manner that would not have been considered under other circumstances. As such, they concern all debt instruments, regardless of the classification category of the debt instrument based on the increase in credit risk observed since initial recognition.

In accordance with the definition of the EBA (European Banking Authority) specified in the “Risks and Pillar 3” chapter 5 of the Crédit Agricole CIB group Universal Registration Document, the restructuring of debts due to financial difficulties of the debtor corresponds to all changes made to one or more credit agreements in this respect, as well as to refinancing granted due to the financial difficulties encountered by the client.

This notion of restructuring must be assessed at the level of the contract and not at the client level (no contagion).

The definition of receivables restructured due to financial difficulties therefore involves two cumulative criteria:

- contractual modifications or refinancing of receivables (where concessions are granted);
- a client in financial difficulty (a debtor experiencing, or about to experience, difficulties in meeting their financial commitments).

For example, “contract modification” refers to situations in which:

- there is a difference between the modified contract and the former terms of the contract, to the benefit of the borrower;
- the amendments to the contract lead to more favourable terms for the borrower in question than could have been obtained from other borrowers of the bank with a similar risk profile at the same time.

“Refinancing” refers to situations in which a new debt is granted to the client in order to enable it to repay all or part of any other debt for which it cannot assume the contractual terms due to its financial situation.

The restructuring of a loan (performing or in default) indicates presumption of a proven risk of loss (Stage 3).

The need to establish impairment on the restructured exposure must therefore be analysed accordingly (a restructuring does not systematically result in the recognition of impairment for incurred loss and classification in default).

The classification as “restructured debt” is temporary.

As soon as the restructuring operation within the meaning of the EBA has been carried out, the exposure maintains this status of “restructured” for a period of at least two years if the exposure was performing at the time of the restructuring, or three years if the exposure was in default at the time of the restructuring. These

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periods are extended if certain events occur (new incidents, for example).

In the absence of a derecognition linked to this type of event, the reduction of future cash flows granted to a counterparty, or the postponing of these flows as part of a restructuring, results in the recognition of a discount in the cost of risk.

It corresponds to the shortfall in future cash flows, discounted at the original effective rate. It is equal to the difference between:

- the carrying amount of the receivable;
- and the sum of theoretical future cash flows from the restructured loan, discounted at the original effective interest rate (defined at the date of the financing commitment).

In the event of the abandonment of part of the capital, this amount constitutes a loss to be recorded immediately in cost of risk.

The discount recognised when a loan is restructured is recorded under cost of risk.

When the discount is reversed, the portion due to the effect of the passage of time is recorded in "Net Banking Income".

IRRECOVERABILITY

When a loan is deemed irrecoverable, meaning that there is no longer any hope to recover it in whole or in part, the balance sheet should be derecognised and the amount deemed irrecoverable should be written off as a loss.

Decisions as to when to write off a loan are taken on the basis of expert judgement. Each entity determines this with the Risk Department, based on its knowledge of the borrower's activity. Before any write-off, a Stage 3 impairment must have been recorded (with the exception of assets at fair value through profit or loss).

For loans at amortised cost or at fair value through other comprehensive income that can be reclassified to profit or loss, the amount written off is recorded in cost of risk for the nominal amount, under Net Banking Income (NBI) for interest.

◆ Derivative instruments

CLASSIFICATION AND ASSESSMENT

Derivative instruments are financial assets or liabilities classified by default as derivative instruments held for trading unless they can be qualified as hedging derivatives.

They are recorded on the balance sheet at their initial fair value at the trade date.

They are subsequently measured at fair value.

At each reporting date, the contra entry for changes in the fair value of derivatives on the balance sheet is recorded:

- in profit or loss for derivatives held for trading or fair value hedges;
- in other comprehensive income that may be reclassified to profit or loss, if they are cash flow hedging derivatives or a net investment in a foreign operation, for the effective portion of the hedge.

HEDGE ACCOUNTING

General framework

In accordance with the Group's decision, Crédit Agricole CIB does not apply the "hedging accounting" component of IFRS 9 according to the option provided by the standard. All hedging relationships remain documented in accordance with the rules of IAS 39, at the latest until the date of application of the macro-hedging text when it is adopted by the European Union. However, the eligibility of financial instruments for hedge accounting under IAS 39 takes into account the classification and measurement principles of IFRS 9.

Under IFRS 9 and taking into account the hedging principles of IAS 39, debt instruments at amortised cost and at fair value through other comprehensive income that may be reclassified to profit or loss are eligible for fair value hedges and cash flow hedges.

Documentation

Hedging relationships must comply with the following principles:

- fair value hedges aim to protect against exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment attributable to the hedged risk(s) that may affect profit or loss (for example, hedge of all or part of changes in fair value due to interest rate risk on a fixed-rate debt);
- cash flow hedges aim to provide protection against exposure to changes in the future cash flows of a recognised asset or liability or a highly probable planned transaction, attributable to the hedged risk(s) and that may or could (in the case of a planned but unrealised transaction) affect profit or loss (for example, hedging of changes in all or part of future interest payments on variable-rate debt);
- the purpose of hedging a net investment in a foreign operation is to protect against the risk of adverse changes in the fair value associated with the foreign exchange risk of an investment made abroad in a currency other than the euro, the presentation currency of Crédit Agricole CIB.

For hedging purposes, the following conditions must also be met in order to benefit from hedge accounting:

- the hedging instrument and the hedged item must be eligible;
- there must be formal documentation from the outset, including in particular the individual identification and characteristics of the hedged item, the hedging instrument, the nature of the hedging relationship and the nature of the hedged risk;
- the effectiveness of the hedge must be demonstrated, from the outset and retrospectively, by testing at each reporting date.

For interest rate risk hedges on a portfolio of financial assets or financial liabilities, the Crédit Agricole Group favours fair value hedging documentation as permitted by IAS 39, adopted by the European Union (the so-called "carve out" version). In particular:

- the Group documents these hedging relationships on the basis of a gross position in derivatives and hedged items;
- the effectiveness of the hedging relationships is measured by maturity schedules.

Assessment

The revaluation of the derivative at fair value is recognised as follows:

- <u>fair value hedges:</u> the revaluation of the derivative and the revaluation of the hedged item in the amount of the hedged risk are recorded symmetrically in profit or loss. Only the ineffective portion of the hedge is recognised in net profit or loss;
- <u>cash flow hedges:</u> the revaluation of the derivative, excluding accrued interest, is recognised on the balance sheet with a contra entry in a specific account for gains and losses recognised directly in other comprehensive income that may be reclassified to profit or loss for the effective portion and the ineffective portion of the hedge is recognised in profit or loss where applicable. Gains or losses on the derivative accumulated in other comprehensive income are subsequently reclassified to profit or loss at the time the hedged cash flows are realised;
- <u>hedge of a net investment in a foreign operation:</u> the revaluation of the derivative is recorded on the balance sheet with an offsetting entry in other comprehensive income that will be

reclassified to profit or loss and the ineffective portion of the hedge is recognised in profit or loss.

When the conditions for hedge accounting are no longer met, the following accounting treatment must be applied prospectively, except in the event of the disappearance of the hedged item:

- fair value hedges: only the derivative continues to be remeasured through profit or loss. The hedged item is fully recognised in accordance with its classification. For debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss, changes in fair value after the end of the hedging relationship are recorded in other comprehensive income in full. For hedged items measured at amortised cost, which were hedged against interest rate risk, the revaluation difference is amortised over the remaining life of these hedged items;
- cash flow hedges: the hedging instrument is measured at fair value through profit or loss. The amounts accumulated in other comprehensive income under the effective portion of the hedge remain in other comprehensive income until the hedged flows of the hedged item affect profit or loss. For items that were hedged against interest rates, income is allocated as interest is paid. The revaluation difference is amortised in practice over the remaining life of these hedged items;
- net investment hedge abroad: The amounts accumulated in other comprehensive income under the effective portion of the hedging remain in other comprehensive income while the net investment is held. The income is recognised when the net investment in a foreign operation exits the scope of consolidation.

EMBEDDED DERIVATIVES

An embedded derivative is a component of a hybrid contract that meets the definition of a derivative product. This designation applies only to financial liabilities and non-financial contracts. The embedded derivative must be accounted for separately from the host contract if the following three conditions are met:

- the hybrid contract is not measured at fair value through profit or loss;
- separate from the host contract, the embedded item has the characteristics of a derivative;
- the characteristics of the derivative are not closely related to those of the host contract.

Determination of the fair value of financial instruments

The fair value of financial instruments is determined by maximizing the use of observable inputs. It is presented according to the hierarchy defined in IFRS 13.

IFRS 13 defines fair value as the price that would be received for the sale of an asset or paid for the transfer of a liability in an ordinary transaction between market participants on the principal or the most advantageous market, at the valuation date.

Fair value applies to each individual financial asset or financial liability. As an exception, it may be estimated by portfolio if the risk management and monitoring strategy so allow and are subject to appropriate documentation. Thus, certain fair value inputs are calculated on a net basis when a group of financial assets and financial liabilities is managed on the basis of its net exposure to market or credit risks.

Crédit Agricole CIB considers that the best indication of fair value is the reference to quoted prices in an active market.

In the absence of such quotations, fair value is determined using valuation techniques that maximise the use of relevant observable data and minimise the use of unobservable inputs.

When a debt is measured at fair value through profit or loss (by type or using the option), the fair value takes into account the issuer's own credit risk.

FAIR VALUE OF STRUCTURED ISSUES

In accordance with IFRS 13, Crédit Agricole CIB values its structured issues measured at fair value by taking as a reference the issuer spread that specialised parties agree to receive in order to acquire new issues from the Group.

COUNTERPARTY RISK ON DERIVATIVE INSTRUMENTS

Crédit Agricole CIB incorporates into fair value the assessment of counterparty risk for derivative assets (Credit Valuation Adjustment or CVA) and, using a symmetrical treatment, the non-performance risk for derivative liabilities (Debit Valuation Adjustment or DVA or own credit risk).

The CVA is used to determine the expected losses on the counterparty from the perspective of the Crédit Agricole Group and the DVA, the expected losses on the Crédit Agricole Group from the perspective of the counterparty.

The CVA/DVA is calculated on the basis of an estimate of expected losses based on the probability of default and loss given default. The methodology used maximises the use of observable market inputs. It is primarily based on market data such as registered and listed Credit Default Swaps (CDS), Single Name CDS, or index CDS in the absence of registered CDS on the counterparty. In certain circumstances, historical default data may also be used.

COSTS AND BENEFITS RELATED TO DERIVATIVES FINANCING

The value of non-collateralised or partially collateralised derivative instruments incorporates a Funding Value Adjustment (FVA) that represents costs and benefits related to the financing of these instruments. This adjustment is measured based on positive or negative future exposure of transactions for which a cost of financing is applied.

FAIR VALUE HIERARCHY

The standard classifies fair values into three levels based on the observability of inputs used in the valuation.

Level 1: fair values corresponding to prices (non-adjusted) in active markets

Level 1 presents financial instruments directly quoted on active markets for identical assets and liabilities to which Crédit Agricole CIB may have access at the valuation date. These include equities and bonds listed on an active market, units of investment funds listed on an active market and derivatives contracted on an organised market, including futures.

A market is regarded as being active if quoted prices are readily and regularly available from an exchange, broker, dealer, pricing service or regulatory agency and these prices represent actual transactions regularly occurring in the market on an arm's length basis.

For financial assets and liabilities with offsetting market risks, Crédit Agricole CIB uses mid-prices as a basis for establishing fair values for the offsetting risk positions. For net short positions, the market values used are those at current asking price and for net long positions, current bid prices.

Level 2: fair values measured using directly or indirectly observable data, other than Level 1 inputs

These data are directly observable (prices) or indirectly observable (price derivative data) and generally meet the following criteria: these data are not specific to Crédit Agricole CIB, are available / accessible to the public and are based on a market consensus.

The following are presented in level 2:

- equities and bonds listed on an inactive market, or not quoted on an active market, but for which fair value is determined using a valuation method commonly used by market participants (such as discounted cash flow methods, the Black & Scholes model) and based on observable market data;
- over-the-counter instruments for which valuation is carried out using models based on observable market data, i.e., that can be obtained from several sources independent of internal sources and on a regular basis. For example, the fair value of interest rate swaps is generally determined using yield curves based on market interest rates observed at the reporting date.

When the models used are based in particular on standard models and on observable market inputs (such as yield curves or implicit volatility tables), the initial margin generated on the instruments thus valued is recognised in profit or loss at inception.

Level 3: fair value that is measured using a significant portion of unobservable inputs

For some complex instruments that are not traded in an active market, fair value measurement is based on valuation techniques using assumptions that cannot be observed on the market for an identical instrument. These products are presented in Level 3.

This mainly concerns complex fixed income products, equity derivatives and structured credit products whose valuation requires, for example, correlation or volatility inputs not directly comparable to market data.

The initial transaction price is deemed to reflect the market value and recognition of the initial margin is deferred.

The margin generated on these structured financial instruments is generally recognised in profit or loss over the period during which the inputs are deemed unobservable. When market data become “observable”, the remaining margin to be deferred is immediately recognised in profit or loss.

The methodologies and models for valuing financial instruments presented in Level 2 and Level 3 incorporate all the factors that market participants use to calculate a price. They must first be validated by an independent control. The calculation of the fair values of these instruments takes into account liquidity risk and counterparty risk.

Offsetting of financial assets and liabilities

In accordance with IAS 32, Crédit Agricole CIB offsets a financial asset and liability and presents a net balance if and only if it has a legally enforceable right to offset the recognised amounts and intends to settle the net amount or to realise the asset and the liability simultaneously.

Derivatives and repurchase agreements with clearing houses whose operating principles meet the two criteria required by IAS 32 are offset on the balance sheet. This offsetting effect is presented in the table in Note 6.8 relating to the amendment to IFRS 7 on disclosures in respect of offsetting financial assets and financial liabilities.

Net gains (losses) on financial instruments

NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

For financial instruments measured at fair value through profit or loss, this item includes the following items of income:

- Dividends and other income from shares and other variable-income securities classified as financial assets at fair value through profit or loss;
- Changes in the fair value of financial assets or liabilities at fair value through profit or loss;
- Realised gains and losses on disposals of financial assets at fair value through profit or loss;
- Changes in fair value and gains or losses on the disposal or termination of derivative instruments that are not part of a fair value or cash flow hedge.

This item also includes ineffectiveness resulting from hedging transactions.

NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

For financial assets measured at fair value through other comprehensive income, this item includes the following items of income:

- Dividends from equity instruments classified as financial assets at fair value through other comprehensive income that cannot be reclassified to profit or loss;
- Gains and losses on disposal as well as income from the termination of the hedging relationship on debt instruments classified as financial assets at fair value through other comprehensive income that may be reclassified to profit or loss;
- Gains or losses on the disposal or termination of fair value hedging instruments of financial assets at fair value through other comprehensive income when the hedged item is sold.

Financing commitments and financial guarantees given

Financing commitments that are not designated as assets at fair value through profit or loss or that are not treated as derivative instruments within the meaning of IFRS 9 are not included in the balance sheet. However, they are subject to provisions for credit risk in accordance with IFRS 9.

A financial guarantee arrangement is a contract that requires the issuer to make specific payments to reimburse its holder for a loss suffered by the issuer due to the default of a specified debtor who fails to make a payment on maturity under the initial or amended terms of a debt instrument.

Financial guarantee contracts are initially measured at fair value and subsequently at the higher of:

- the amount of the value adjustment for losses determined in accordance with the provisions of IFRS 9, the “Impairment” chapter; or
- the amount initially recognised less, where applicable, the accumulated income recognised in accordance with IFRS 15 “Revenue from contracts with customers”.

1.2.3 PROVISIONS (IAS 37)

Crédit Agricole CIB identifies the obligations (legal or implied) resulting from a past event for which it is probable that an outflow of resources will be required to settle them and for which the due date or amount of the settlement is uncertain but can be reliably estimated. Where applicable, these estimates are updated when the impact is significant.

In respect of obligations other than those related to credit risk, Crédit Agricole CIB has set aside provisions covering in particular:

- operational risks;
- employee benefits;
- execution risks of off-balance sheet commitments;
- disputes and liability guarantees;
- tax risks (excluding income tax).

Commitments are established taking into account, in particular:

- the modelled behaviour of subscribers, using assumptions of changes in these behaviours, based on historical observations and likely not to describe the reality of these future changes;
- the estimate of the amount and term of the loans to be put in place in the future, based on long-term historical observations;
- the observable yield curve on the market and its reasonably anticipated changes.

The valuation of the following provisions may also be estimated:

- the provision for operational risks, for which an inventory of proven risks and Management's assessment of the frequency of the incident and the amount of the potential financial impact, are taken into account;
- provisions for legal risks resulting from Management's best assessment, taking into account the information in its possession at the balance sheet date.

Detailed information is provided in Note 6.14 "Provisions".

1.2.4 EMPLOYEE BENEFITS (IAS 19)

In accordance with IAS 19, employee benefits are grouped into four categories:

- short-term benefits, such as salaries, social security contributions, annual leave, profit-sharing and bonuses, are those that are expected to be paid within twelve months of the year in which the services were rendered;
- post-employment benefits, which themselves fall into two categories described below: defined-benefit plans and defined-contribution plans;
- other long-term benefits (work awards, bonuses and compensation payable twelve months or more at the end of the fiscal year);
- termination benefits.

POST-EMPLOYMENT BENEFITS

Defined-benefit plans

At each closing date, Crédit Agricole CIB determines its pension obligations and similar benefits as well as all employee benefits under the defined-benefit plan category.

In accordance with IAS 19, these obligations are measured on the basis of actuarial, financial and demographic assumptions and in accordance with the projected unit credit method. This method consists in booking a charge for each period of service, for an amount corresponding to employee's vested benefits for the period. This charge is calculated based on the discounted future benefit.

The calculations relating to pension and future employee benefits are based on assumptions made by Management with regard to discount rates, employee turnover rates or changes in salaries and social security charges. (see Note 7.4 "Post-employment benefits, defined-benefit plans").

The discount rates are determined according to the average duration of the commitment, that is, the arithmetic average of the durations calculated between the valuation date and the payment date weighted by the turnover assumptions. The underlying used is the discount rate by reference to the iBoxx AA index.

In accordance with IAS 19, Crédit Agricole CIB charges all actuarial gains and losses recognised in other comprehensive income that cannot be reclassified to profit or loss. Actuarial gains and losses consist of experience adjustments (difference between what was estimated and what happened) and the effect of changes in actuarial assumptions.

The expected return on plan assets is determined on the basis of the discount rates used to measure the defined benefit obligation. The difference between the expected return and the actual return on plan assets is recognised in gains and losses recognised directly in other comprehensive income that cannot be reclassified to profit or loss.

The amount of the provision is equal to:

- the present value of the defined benefit obligation at the reporting date, calculated using the actuarial method recommended by IAS 19;
- less, where applicable, the fair value of the assets allocated to cover these commitments. These may be represented by an eligible insurance policy. In the event that the obligation is fully covered by a policy corresponding exactly, by its amount and period, to all or part of the benefits payable under the plan, the fair value of the obligation is considered to be that of the corresponding obligation (the amount of the corresponding actuarial liability).

Defined-contribution plans

There are various mandatory pension plans to which employers contribute. The funds are managed by independent organisations and the contributing companies have no legal or implied obligation to pay additional contributions if the funds do not have sufficient assets to provide all the benefits corresponding to the services rendered by staff during the current and previous years. As a result, Crédit Agricole CIB has no liability in this respect other than the contributions payable for the past financial year.

OTHER LONG-TERM EMPLOYEE BENEFITS

Other long-term employee benefits are benefits payable to employees, other than post-employment benefits and termination benefits, but not fully due within twelve months of the end of the fiscal year in which the related services were rendered.

This includes bonuses and other deferred compensation paid twelve months or more after the end of the financial year in which they were earned, but which are not share-based.

The measurement method is similar to that used by the Group for post-employment benefits falling within the defined benefit category.

1.2.5 SHARE-BASED PAYMENTS (IFRS 2)

IFRS 2 on share-based payments requires the measurement of transactions remunerated through share-based payments and similar payments in the company's results and balance sheet. This standard applies to transactions with employees and more specifically:

- share-based payment transactions that are settled in equity instruments;
- share-based payment transactions that are settled in cash.

In Crédit Agricole CIB's accounts, Crédit Agricole S.A. share-based payment plans recognised in accordance with IFRS 2 are only cash settled transactions.

Options granted are measured at fair value on grant using the Black & Scholes model. These are recognised as an expense under Personnel expenses, with an offsetting entry in an equity account over the vesting period.

Subscriptions for shares offered to employees under the Company Savings Scheme are also subject to the provisions of IFRS 2. The shares are offered at a maximum discount of 30%. These plans do not include a vesting period but are subject to a five-year lock-up period. The benefit granted to employees is measured as the difference between the fair value of the share acquired at the acquisition date and the acquisition price paid by the employee at the subscription date multiplied by the number of shares subscribed. This advantage no longer takes into account the lock-up discount as of 1st January 2023.

A description of the method of the plans allocated and the valuation methods is detailed in Note 7.6 "Share-based payments".

1.2.6 INCOME TAX (IAS 12)

In accordance with IAS 12, income tax includes all income tax, whether due or deferred.

Current tax

IAS 12 defines current tax as "the amount of income tax payable (recoverable) in respect of taxable profit (tax loss) for a financial year". Taxable profit is the profit (or loss) of a financial year determined accordance with the rules established by the tax authorities and on the basis of which income tax must be paid (recovered).

The rates and rules applicable to determining the current tax expense are those in force in each country in which the Group's companies are located.

The tax payable relates to any income tax due or receivable and the payment of which is not contingent on the completion of future transactions, even if the payment is spread over several financial years.

Tax due, as long as it is not paid, must be recognised as a liability. If the amount already paid in respect of the financial year and previous years exceeds the amount due for those years, the excess shall be recognised as an asset.

When tax credits on income from securities portfolios and amounts receivable are effectively used to pay income tax due for the year, they are recognised under the same heading as the income with which they are associated. The corresponding tax charge is kept under the heading "Income tax charge" in the income statement.

In addition, certain transactions carried out by Crédit Agricole CIB may have tax consequences not taken into account in determining the tax payable. Differences between the carrying amount of an asset or liability and its tax base are classified under IAS 12 as temporary differences.

Deferred tax

The standard requires the recognition of deferred tax in the following cases:

- a deferred tax liability must be recognised for all taxable temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base, unless the deferred tax liability arises from:
  - the initial recognition of goodwill;
  - the initial recognition of an asset or liability in a transaction that is not a business combination and does not affect either the accounting profit or taxable profit (tax loss) at the date of the transaction.
- deferred tax asset must be recognised for all deductible temporary differences between the carrying amount of an asset or liability on the balance sheet and its tax base, insofar as it is considered probable that a taxable profit, against which these deductible temporary differences can be allocated, will be available.
- a deferred tax asset must also be recognised for the carry-forward of unused tax losses and tax credits insofar as it is probable that future taxable profits will be available against which these unused tax losses and tax credits may be allocated.

The calculation of deferred taxes takes into account the tax rates of each country and must not be discounted.

Deferred tax assets and liabilities are offset if and only if:

- Crédit Agricole CIB has a legally enforceable right to offset current tax assets and liabilities; and
- deferred tax assets and liabilities relate to income tax levied by the same tax authority, whether on the same taxable entity or on different taxable entities, which intend to settle the tax liabilities and assets due on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Current and deferred taxes are recognised in net income for the year, except to the extent that the tax is generated:

- by a transaction or event that is recognised directly in equity, in the same financial year or in a different financial year, in which case it is directly debited or credited to equity;
- or by a business combination.

CAPITAL GAINS ON SECURITIES

Unrealised taxable capital gains on securities do not generate any taxable temporary differences between the book value of the asset and the tax base. They therefore do not give rise to the recognition of deferred taxes. When the securities in question are classified as financial assets at fair value through other comprehensive income, unrealised gains and losses are recognised in other comprehensive income. In addition, using a symmetrical approach, the tax expense or real tax savings borne by Crédit Agricole CIB in respect of these unrealised capital gains or losses is reclassified as a deduction from other comprehensive income.

In France, capital gains on equity investments, as defined by the French General Tax Code and subject to the long-term tax regime, are exempt from corporate tax (with the exception of a share of expenses, taxed at the normally applicable rate). Therefore, unrealised capital gains recognised at the end of the financial year generate a temporary difference resulting in the recognition of deferred tax in the amount of this share of expenses.

IFRS 16 LEASES

Under IFRS 16 leases, a deferred tax liability is recognised on the right-of-use and a deferred tax asset on the lease liability for leases for which the Group is the lessee.

TAX RISKS

Tax risks relating to income tax give rise to the recognition of a current tax receivable or liability when the probability of receiving the asset or paying the liability is considered more likely than unlikely. These risks are also taken into account in the valuation of current and deferred tax assets and liabilities.

IFRIC 23 on the measurement of uncertain tax positions applies when an entity has identified one or more uncertainties about the tax positions they have adopted. It also provides details on their estimates:

- the analysis must be based on 100% detection of the tax authorities;
- the tax risk must be recognised as a liability as soon as it is more likely than unlikely that the tax authorities will call into question the treatment adopted, for an amount reflecting the Management's best estimate;
- in the event of a probability of more than 50% reimbursement by the tax authorities, a receivable must be recognised.

1.2.7 TREATMENT OF FIXED ASSETS (IAS 16, 36, 38 AND 40)

The Crédit Agricole Group applies component accounting for all of its property, plant and equipment. In accordance with the provisions of IAS 16, the depreciable base takes into account the potential remaining value of property, plant and equipment.

Land is recorded at acquisition cost less any impairment.

Property used in operations, investment property and equipment are measured at their acquisition cost less depreciation and impairment losses established since the time they were placed in service.

Purchased software is measured at purchase price less accumulated depreciation, amortisation and any impairment losses noted since their purchase date.

Proprietary software is measured at cost less accumulated depreciation, amortisation and impairment losses noted since their completion date.

In addition to software, intangible assets mainly include assets acquired in business combinations resulting from contractual rights (distributing agreements, for example). These were assessed on the basis of the corresponding future economic benefits or the potential of the services expected.

Fixed assets are impaired over their estimated useful lives.

The following components and depreciation periods have been adopted by the Crédit Agricole Group following the application of component accounting for fixed assets. These depreciation periods are adjusted according to the type of asset and its location:

Component	Depreciation period
Land	Not depreciable
Structural works	30 to 80 years
Non-structural works	8 to 40 years
Plant and equipment	5 to 25 years
Fixtures and fittings	5 to 15 years
Computer equipment	4 to 7 years
Special equipment	4 to 5 years

1.2.8 FOREIGN CURRENCY TRANSACTIONS (IAS 21)

At the reporting date, foreign-currency denominated monetary assets and liabilities are translated into euros, Crédit Agricole Group's functional currency.

Pursuant to IAS 21, a distinction is made between monetary items (such as debt instruments) and non-monetary items (such as equity instruments).

Monetary assets and liabilities denominated in foreign currencies are translated at the closing exchange rate. The exchange differences resulting from this translation are recognised in profit or loss. There are three exceptions to this rule:

- on debt instruments at fair value through other comprehensive income that can be reclassified to profit or loss, the portion of the exchange difference calculated on amortised cost is recognised in profit or loss; the additional portion is recognised in other comprehensive income that can be reclassified to profit or loss;
- for items designated as cash flow hedges or as part of a net investment in a foreign entity, exchange differences are recognised in other comprehensive income that may be reclassified to profit or loss for the effective portion;
- for financial liabilities designated at fair value through profit or loss, exchange differences related to changes in the fair value of own credit risk are recorded in other comprehensive income that cannot be reclassified to profit or loss.

The treatment of non-monetary items differs according to the accounting treatment of these items before translation:

- historical cost items remain valued at the exchange rate on the day of the transaction (historical price);
- fair value items are translated at the exchange rate at the closing date.

Exchange differences on non-monetary items are recognised:

- in profit or loss if the gain or loss on the non-monetary item is recognised in profit or loss;
- in other comprehensive income that cannot be reclassified to profit or loss if the gain or loss on the non-monetary item is recorded in other comprehensive income that cannot be reclassified to profit or loss.

1.2.9 REVENUE FROM ORDINARY ACTIVITIES RELATED TO CONTRACTS WITH CUSTOMERS (IFRS 15)

Fee and commission income and expenses are recognised in profit or loss according to the nature of the services to which they relate.

Fees and commissions that form an integral part of the return on a financial instrument are recognised as an adjustment to the remuneration of this instrument and included in its effective interest rate (in accordance with IFRS 9).

For other types of fees and commissions, their recognition in the income statement must reflect the rate of transfer of control of the goods or services sold to the customer:

- the result of a transaction associated with the provision of services is recognised under Fees, when control of the provision of services is transferred to the client if it can be reliably estimated. This transfer may take place as the service is rendered (continuous service) or on a given date (one-off service).

a) Fees and commissions for ongoing services (for example, on payment instruments) are recognised in profit or loss according to the level of progress of the service rendered.
b) Fees and commissions received or paid as remuneration for one-off services are recognised in full in profit or loss when the service is rendered.

Fees and commissions payable or receivable subject to the achievement of a performance objective are recognised in the amount for which it is highly probable that the income thus recognised will not later be subject to a significant downward adjustment upon resolution of the contingency. This estimate is updated at each closing date. In practice, this condition results in the deferred recognition of certain performance-related fees and commissions until the expiry of the performance evaluation period and until such fees and commissions have been definitively acquired.

1.2.10 LEASES (IFRS 16)

The Group may be the lessor or lessee of a lease.

Leases for which the Group is the lessor

Leases are recognised, depending on the case, either as finance leases if the lease transfers substantially all the risks and rewards inherent in ownership of the underlying asset to the lessee, or as operating leases if most of the risks and rewards of the leased asset are not transferred to the lessee.

- In the case of finance leases, they are considered equivalent to a sale of fixed assets to the buyer financed by a loan granted by the lessor to the latter. The lessor thus recognises a financial receivable from the buyer as “Financial assets at amortised cost” for a value equal to the present value of lease payments receivable by the lessor under the lease, plus any non-guaranteed residual value accruing to the lessor.

  The lease payments received are broken down between the interest recorded in the income statement under “Interest and similar income” and the amortisation of the principal, such that the net income represents a constant rate of return on the residual outstanding amount. The interest rate used is the interest rate implicit in the contract.

  For finance lease receivables, Crédit Agricole CIB applies the general approach of impairment of financial assets at amortised cost under IFRS 9.
- In the case of operating leases, the lessor recognises the leased assets as property, plant and equipment on the asset side of its balance sheet and depreciates them on a straight-line basis over their useful life excluding residual value. Lease payments are also recognised in profit or loss on a straight-line basis over the term of the lease.

  Rental income and depreciation charges are recorded in the income statement under “Income on other activities” and “Expenses on other activities”.

Leases for which the Group is the lessee

Lease transactions are recognised in the balance sheet at the date the leased asset is made available. The lessee recognises an asset representing the right-of-use of the leased asset to property, plant and equipment for the estimated term of the contract and a liability for the obligation to pay rents as one of the other liabilities over the same term.

The lease term of a contract corresponds to the non-cancellable term of the rental contract, adjusted for the option to extend the lease, which the lessee is reasonably certain to exercise and the option of termination that the lessee is reasonably certain not to exercise.

In France, the Group principle applicable to contracts with an indefinite term or renewed by tacit extension is to use the first exit option after 5 years. The term used for “3/6/9” commercial leases is generally nine years with an initial non-cancellable period of three years. When the lessee believes that it is reasonably certain not to exercise the exit option after three years, the Group principle will be applied to French commercial leases in most cases, at the start date of the lease. Thus, the term will be estimated at six years. The Group principle (first exit option after 5 years) may not be applied in certain specific cases, such as for a lease in which the interim exit options have been abandoned (e.g. in exchange for a reduction in rents). In this case, an initial lease term of 9 years should be used (unless there is a tacit extension of up to 3 years in the general case).

The lease liability is recognised at an amount equal to the present value of the lease payments over the term of the contract. Lease payments include fixed rents, variable rents based on a rate or index and payments that the lessee expects to pay in respect of guarantees of residual value, purchase option or early termination penalty. Variable rents that do not depend on an index or a rate and VAT not deductible from rents are excluded from the calculation of the debt and are recognised as operating expenses.

The discount rate applicable to the calculation of right-of-use and lease liabilities is by default the lessee’s marginal debt ratio over the term of the lease at the date of signature of the contract, where the implicit rate cannot be easily determined. The marginal debt ratio takes into account the rent payment structure. It reflects the terms of the lease (duration, guarantee, economic environment, etc.).

The expense in respect of leases is broken down into interest on the one hand and the capital depreciation on the other.

The right-of-use asset is valued at the initial value of the lease liability plus initial direct costs, advance payments, restoration costs and less lease incentives. It is amortised over the estimated term of the contract.

The lease liability and the right-of-use liability may be adjusted in the event of a change in the lease contract, re-estimation of the lease term or revision of rents linked to the application of indices or rates.

Deferred taxes are recognised in respect of temporary differences in the lessee’s right-of-use and lease liabilities.

In accordance with the exception provided for in the standard, short-term leases (initial term of less than twelve months) and leases whose replacement value of the leased asset is low are not recognised on the balance sheet. The corresponding lease expenses are recorded on a straight-line basis in the income statement under operating expenses.

According to the provisions of the standard, the Group does not apply IFRS 16 to leases for intangible assets.

1.2.11 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (IFRS 5)

A non-current asset (or a disposal group) is considered to be held for sale if its carrying amount is recovered primarily through a sale rather than through continuous use.

For this to be the case, the asset (or disposal assets group) must be available for immediate sale in its current condition and its sale must be highly probable.

The assets and liabilities concerned are isolated on the balance sheet under "Non-current assets held for sale and discontinued operations" and "Liabilities associated with non-current assets held for sale and discontinued operations".

These non-current assets (or disposal group) classified as held for sale are measured at the lower of their carrying amount and their fair value less costs to sell. In the event of an unrealised capital loss, an impairment loss is recorded in profit or loss. Moreover, they cease to be amortised as of their downgrading.

For investments accounted for using the equity method, the share of income equal to the percentage held for sale ceases to be recognised. If the fair value of the group of assets held for sale less costs to sell is less than its carrying amount after impairment of non-current assets, the difference is allocated to other assets in the group of assets held for sale, including financial assets.

A discontinued operation is any component that the Group has disposed of, or that is classified as held for sale and which is in one of the following situations:

- it represents a separate main business line or geographic area;
- it is part of a single and coordinated plan to dispose of a separate main business line or geographic area; or
- it is a subsidiary acquired exclusively for resale.

The following items are presented on a separate line of the income statement:

- the net income after tax of discontinued operations;
- the post-tax gain or loss arising from the disposal or measurement at fair value less costs of selling the assets and liabilities comprising the discontinued operations.

1.3 Consolidation principles and methods (IFRS 10, IFRS 11 and IAS 28)

1.3.1 SCOPE OF CONSOLIDATION

The consolidated financial statements include the financial statements of Crédit Agricole CIB and those of all companies over which, in accordance with the provisions of IFRS 10, IFRS 11 and IAS 28, Crédit Agricole CIB has control, joint control or significant influence, except for those that are not material in relation to all companies included in the consolidation scope.

DEFINITIONS OF CONTROL

In accordance with international accounting standards, all entities controlled, under joint control or under significant influence are consolidated, provided that they do not fall within the scope of the exclusions mentioned below.

Exclusive control over an entity is presumed to exist when Crédit Agricole CIB is exposed or entitled to variable returns resulting from its involvement in the entity and if its power over the entity allows it to influence those returns. Power in this context means only substantive (voting or contractual) rights. Rights are considered substantive if the holder of the rights can in practice exercise them when decisions about the entity's relevant activities are made.

Control of a subsidiary governed by voting rights is established when the voting rights held give Crédit Agricole CIB the practicable ability to direct the relevant activities of the subsidiary. Crédit Agricole CIB generally controls the subsidiary when it holds, directly or indirectly through subsidiaries, more than half of the existing or potential voting rights of an entity, unless it can be clearly demonstrated that such holding does not allow it to direct relevant activities. Control also exists where Crédit Agricole CIB owns half or less than half of an entity's voting rights, including potential voting rights, but is able in practice to direct its relevant activities at its sole discretion, notably because of the existence of contractual arrangements, the size of its stake in the voting rights compared to those of other investor, or due to other facts and circumstances.

Control of a structured entity is not assessed on the basis of the percentage of voting rights as these have, by nature, no effect on the entity's returns. The control analysis takes into account contractual agreements, but also the involvement and decisions of Crédit Agricole CIB when establishing the entity, the agreements entered into at that time and the risks incurred by Crédit Agricole CIB, the rights resulting from agreements that give the investor the power to direct relevant activities only when particular circumstances occur and other facts or circumstances which indicate that the investor can direct the entity's relevant activities. Where there is a management mandate, the extent of the decision-making power relating to the delegation of power to the manager and the remuneration accorded by such contractual agreements shall be analysed in order to determine whether the manager acts as agent (delegated power) or principal (on its own behalf).

Thus, at the time when decisions on the entity's relevant activities are to be made, the indicators to be analysed in order to determine whether an entity acts as an agent or as principal are the extent of the decision-making power relating to the delegation of power to the manager over the entity and the remuneration accorded by such contractual agreements, as well as the substantive rights that may affect the capacity of the decision-maker held by the other parties involved in the entity and exposure to variability in returns from other interests held in the entity.

Joint control is exercised when there is contractual sharing of control over an economic activity. Decisions affecting the entity's relevant activities require the unanimous approval of the parties sharing control.

In traditional entities, significant influence arises from the power to participate in a company's financial and operational policies without having control of it. Crédit Agricole CIB is presumed to have significant influence when it holds, directly or indirectly through subsidiaries, 20% or more of the voting rights in an entity.

1.3.2 CONSOLIDATION METHODS

The consolidation methods are set by IFRS 10, IFRS 11 and IAS 28 respectively. They depend on the type of control exercised by Crédit Agricole CIB over the entities that can be consolidated, regardless of activity or whether or not they have legal entity status:

- full consolidation, for controlled entities, including entities with different account structures, even if their activity is not in line with that of Crédit Agricole CIB;
- the equity method, for entities under significant influence and joint ventures (excluding joint activities).

Full consolidation consists in replacing each of the assets and liabilities of each subsidiary with the value of the shares. The share of non-controlling interests in equity and income is shown separately in the consolidated balance sheet and income statement.

Non-controlling interests are as defined by IFRS 10 and include instruments that are current interests and entitle them to a share of net assets in the event of liquidation and other equity instruments issued by the subsidiary and not held by the Group.

Investments in associates or joint ventures are recognised as a separate item on the balance sheet under “Investments in equity-accounted entities”. The equity method consists in replacing the Group’s share in the shareholders’ equity and income of the companies concerned with the value of the shares.

The change in the carrying amount of these shares takes into account changes in goodwill.

During additional acquisitions or partial disposals with the maintenance of joint control or significant influence, Crédit Agricole CIB notes:

- in the event of an increase in the percentage of interest, additional goodwill;
- in the event of a decrease in the percentage of interest, a capital gain or loss on disposal/dilution in profit or loss.

1.3.3 RESTATEMENTS AND ELIMINATIONS

In accordance with IFRS 10, Crédit Agricole CIB makes the necessary adjustments to harmonise the valuation methods of consolidated companies.

The effect on the consolidated balance sheet and income statement of internal Group operations is eliminated for fully consolidated entities.

Capital gains or losses on disposals of assets between consolidated companies are eliminated; any impairment measured on an internal disposal is recognised.

1.3.4 TRANSLATION OF THE FINANCIAL STATEMENTS OF FOREIGN OPERATIONS (IAS 21)

The financial statements of entities representing a “foreign business” (subsidiary, branch, associate or joint venture) are translated into euros into two steps:

- if applicable, the local currency in which the financial statements are prepared is converted into the functional currency (that of the main economic environment of the entity). The conversion is carried out as if the information had been recognised initially in the functional currency (same conversion principles as for foreign currency transactions above);
- translation of the functional currency into euros, the presentation currency of the Group’s consolidated financial statements. Assets and liabilities, including goodwill, are translated at the closing rate. Equity items, such as share capital or reserves, are translated at their historical exchange rate. Income and expenses on the income statement are translated at the average exchange rate for the period. Foreign exchange differences arising from this conversion are recognised as a separate component of shareholders’ equity. These translation differences are recognised in profit or loss in the event of the disposal of the foreign operation (disposal, repayment of capital, liquidation, abandonment of operations) or in the event of deconsolidation due to a loss of control (even without disposal) when the result of the disposal or loss of control is recognised.

1.3.5 BUSINESS COMBINATIONS – GOODWILL

MEASUREMENT AND RECOGNITION OF GOODWILL

Business combinations are accounted for using the acquisition method, in accordance with IFRS 3, with the exception of business combinations under joint control, which are excluded from the scope of IFRS 3. In the absence of an IFRS standard or an interpretation specifically applicable to a transaction, IAS 8 on Accounting Policies, Changes in Accounting Estimates and Errors leaves the possibility of referring to the official positions of other standardisation bodies. Accordingly, the Group has chosen to apply US standard ASU 805-50, which appears to comply with the general IFRS principles, for the treatment of business combinations under joint control at carrying values using the method of pooling interest.

At the acquisition date, the identifiable assets, liabilities and contingent liabilities of the acquired entity that meet the accounting criteria of IFRS 3 are recognised at fair value.

Price adjustment clauses are recognised at fair value even if they are unlikely to be realised. Subsequent changes in the fair value of clauses that are financial liabilities are recognised in profit or loss. Only the price adjustment clauses relating to transactions for which the acquisition of control took place no later than 31 December 2009 may still be recorded against goodwill, because these transactions were recognised in accordance with IFRS 3 pre-revision (2004).

The non-controlling interests that are shares of current interests and entitle holders to a share of the net assets in the event of liquidation may, at the acquirer’s option, be valued in two ways:

- at fair value at the acquisition date (“full goodwill” method);
- at the share in identifiable assets and liabilities of the acquired entity remeasured at fair value.

This option may be exercised by acquisition.

The initial valuation of assets, liabilities and contingent liabilities may be modified within a maximum of twelve months from the date of acquisition.

The consideration transferred in connection with a business combination (the acquisition cost) is measured as the total of the fair values transferred by the acquirer at the date of acquisition in exchange for control of the acquired entity (for example, cash, equity instruments, etc.).

Costs directly attributable to the relevant business combination are recognised as expenses, separately from the combination.

Once the acquisition is highly probable, they are recorded under “Net gains or losses on other assets”, otherwise they are recorded under “Operating expenses”.

The difference between the sum of acquisition costs and non-controlling interests and the net balance, at the date of acquisition, of the identifiable assets and the liabilities assumed, measured at fair value, is recorded, when it is positive, on the assets side of the consolidated balance sheet, under “Goodwill”. When this difference is negative, it is immediately recognised in profit or loss.

Goodwill is recorded in the balance sheet at its initial cost denominated in the currency of the acquired entity and translated at the exchange rate at the balance sheet date.

In the event of a step-by-step acquisition of control, the participation held before the acquisition of control is remeasured at fair value through profit or loss at the date of acquisition and goodwill is calculated at once, based on the fair value at the acquisition date of the assets acquired and the liabilities assumed.

In the event of a loss of control, the gain or loss on disposal is calculated for the entire entity sold and any investment share retained is recognised on the balance sheet at its fair value at the date of loss of control.

IMPAIRMENT OF GOODWILL

Goodwill is tested for impairment as soon as objective indicators of a loss of value are noted and at least once a year.

The choices and assumptions used to measure non-controlling interests at the date of acquisition may influence the amount of the initial goodwill and any impairment resulting from a loss of value.

For the purposes of these impairment tests, each goodwill is divided between the Group's various cash-generating units (CGUs) that will benefit from the expected advantages of the business combination. The CGUs were defined within the Group's major business lines as the smallest identifiable group of assets and liabilities operating according to its own business model. During impairment tests, the carrying amount of each CGU, including the carrying amount of goodwill allocated to it, is compared to its recoverable value.

The recoverable amount of the CGU is the higher amount between the fair value of the asset less costs to sell and its value in use. Value in use is calculated as the present value of the estimated future cash flows generated by the CGU, resulting from medium-term plans drawn up for the purposes of the Group's management.

When the recoverable amount is less than the carrying amount, the goodwill associated with the CGU is impaired accordingly. This impairment is irreversible.

CHANGES IN POST-ACQUISITION INTEREST AND GOODWILL

In the event of an increase or decrease in Crédit Agricole CIB's ownership interest in an entity already exclusively controlled without loss of control, there is no impact on the amount of goodwill recognised at the origin of the business combination.

In the event of an increase in the percentage interest of Crédit Agricole CIB in an entity already exclusively controlled, the difference between the acquisition cost and the share of net assets acquired is recognised in "Consolidated reserves" Group share.

In the event of a decrease in the percentage interest of Crédit Agricole CIB in an entity that remains exclusively controlled, the difference between the sale price and the carrying amount of the share of the net position sold is also recognised directly in "Consolidated reserves" Group share. The costs associated with these transactions are recognised in other comprehensive income.

SALE OPTIONS GRANTED TO MINORITY SHAREHOLDERS

The accounting treatment of sale options granted to minority shareholders is as follows:

- when a sale option is granted to minority shareholders of a fully-consolidated subsidiary, a liability is recognised on the liabilities side of the balance sheet; its initial recognition takes place at the estimated present value of the options granted to minority shareholders. In exchange for this debt, the share of net assets attributable to the minority interests concerned is reduced to zero and the balance is recorded as a reduction in equity;
- subsequent changes in the estimated value of the exercise price alter the amount of the debt recorded as liabilities, with a corresponding equity adjustment. Symmetrically, subsequent changes in the share of net assets due to minority shareholders are cancelled and offset in equity.

NOTE 2: MAJOR STRUCTURAL TRANSACTIONS AND MATERIAL EVENTS DURING THE PERIOD

2.1 Major structural transactions

At the closing date for the consolidated financial statements at 31 December 2023, no material structural transactions took place within the Crédit Agricole CIB group.

The scope of consolidation and the changes to it are presented in detail at the end of the notes in Note 12 "Scope of consolidation at 31 December 2023".

ACQUISITION OF A MAJORITY STAKE IN THE CAPITAL OF THE BANK DEGROOF PETERCAM

On 3 August 2023, Indosuez Wealth Management, a wholly owned subsidiary, signed an agreement with certain core shareholders for the acquisition of a majority stake of approximately 59% in Degroof Petercam, a wealth management leader in Belgium and a leading investment firm with an international presence and customer base. The stake will increase to approximately 65% after certain additional shareholders exercise their rights under the existing shareholders' agreements. The transaction is expected to close in the second quarter of 2024, subject to obtaining the authorisations of the relevant authorities.

This proposed acquisition will be carried out in partnership with the CLdN group, a Degroof Petercam core shareholder, which will retain a stake of around 20%, reflecting the desire to preserve its roots and domestic foothold in Belgium, in line with Crédit Agricole Group's partnership culture.

Following the transaction, a voluntary and unconditional tender offer by Indosuez Wealth Management for the remaining Degroof Petercam's shares is expected to take place in the second half of 2024 under the same terms and conditions.

Pending regulatory authorizations, there is no significant impact in the financial statements as of December 31, 2023.

2.2 Other significant events during the period

IMPACTS OF MILITARY OPERATIONS IN UKRAINE

At the end of February 2022, tensions between Russia and Ukraine led to a military conflict, of which the magnitude and duration, nearly two years later, as well as its economic and financial impacts, remain highly uncertain.

The Crédit Agricole CIB group has stopped all financing to Russian and all commercial activities in the country since the start of the conflict. However, the Group is exposed directly and indirectly in Russia due to activities that predate the start of the conflict and has booked provisions on performing loans in the first quarter of 2022, in accordance with IFRS.

The exposures recognised in the subsidiary CACIB AO (onshore exposures) represented the equivalent of €0.1 billion at 31 December 2023 compared with €0.2 billion at 31 December 2022 and compared with €0.5 billion at 31 December 2021, with the change over the period due to a significant decline in customer outstandings and to a lesser extent, deposits with the Central Bank of Russia. The subsidiary's equity amounted to approximately €155 million, of which approximately €71 million in equity and €84 million in subordinated debt at 31 December 2023. The amount of equity remained stable overall since 31 December 2022. Net income at 31 December 2023 is expected to be in surplus of approximately €14 million due to significant reversals of provisions for cost of risk due to loan repayments made during the year.

Exposures recognised outside CACIB AO (offshore exposures)[(1)] represented the equivalent of €1.2 billion at 31 December 2023 (including €1.1 billion recorded on the balance sheet). They decreased by -€1.7 billion compared with 31 December 2022 and -€3.4 billion since the start of the conflict at the end of February 2022. The off-balance sheet portion of offshore exposures (documentary loans, financial guarantees and, to a lesser extent, undrawn confirmed credit facilities) amounted to €0.1 billion at 31 December 2023, down significantly by -€1.5 billion since the outbreak of the conflict.

In the context of the ongoing conflict and the resulting international sanctions, the portfolio continues to be subject to tighter supervision and exposures continue to decline gradually as reimbursements are recorded in strict compliance with international sanctions, and through secondary disposals. As such, from the first quarter of 2022, at the beginning of the conflict, exposures were subject to significant provisioning, mainly on performing exposures. This provisioning is then updated throughout each quarter. Overall, the cost of risk for first half year 2023 relating to Russian exposures reached €27.5 million, of which €117.5 million related to performing exposures (Stages 1&2) and -€90 million to specific exposures (Stage 3). The total amount of provisions on Russian exposures reached €347 million at 31 December 2023.

Indosuez Wealth Management's Russian exposure represented the equivalent of €113 million at 31 December 2023, decreasing since 31 December 2022 (equivalent to €220 million).

Variation risk[(2)] related to derivatives transactions is now nil at 31 December 2023 (versus €0.6 million at 31 December 2022 and versus €60 million at 31 December 2021).

In total, these exposures, of limited size (0.3% of Crédit Agricole CIB total exposures as of 31 December 2023), continue to be closely monitored.

PILAR 2 – GLOBE (GLOBAL ANTI-BASE EROSION)

New international tax rules have been established by the OECD, designed to subject large international groups to additional taxation when the Effective Tax Rate (ETR) of a jurisdiction in which they are based is below 15%. The aim of these rules is to combat competition between countries based on tax rates.

These rules will have to be transposed by the various States.

Within the EU, a European Directive was adopted at the end of 2022 (currently being transposed in the various countries), and provides for 2024 as the first year of application of the GloBE rules in the EU. At this stage, based on an initial costing, the amounts estimated for the Group are not significant. If necessary, this will result in the recognition of an additional GloBE tax in the Group's accounts in 2024.

(1) Commercial commitments on the balance sheet and off-balance sheet commitments of customers and banks, net of export credit guarantees, excluding variation risk.
(2) Variation risk corresponds to the Amount at Risk or immediate loss in the event of default, including any margin calls.

NOTE 3: FINANCIAL MANAGEMENT, RISK EXPOSURE AND HEDGING POLICY

The Department of Group Permanent Control and Risks (DRG) is responsible for the management of banking risks in Crédit Agricole CIB.

This department reports to the Chief Executive Officer and its brief is to ensure the management and permanent control of credit, financial and operational risks.

A description of these processes and commentary are provided in the "Risks and Pillar 3 - Risk management" chapter of the management report, as permitted under IFRS 7. The accounting breakdowns are presented in the financial statements.

3.1 Credit risk

(see chapter "Risks and Pillar 3 - Risk management")

CREDIT RISK MEASUREMENT

In the context of economic and geopolitical uncertainties, the Group continues to regularly review its forward-looking macroeconomic forecasts to determine the estimate of credit risk.

Information on the macroeconomic scenarios as of 31 December 2023

The Group used four scenarios for calculating IFRS 9 provisioning parameters in production on December 2023 with projections going up to 2026. They incorporate different assumptions on the effects of the Russian-Ukrainian conflict, the inflationary shock suffered in particular by the Eurozone and the monetary tightening by central banks, with a specific weighting assigned to each scenario.

- First scenario: "Central" scenario (weighted at 50%)

The central scenario is one of "slow normalisation" characterised by a sharp economic slowdown, and a lower but still high inflation rate. The assumption of this very gradual adjustment implies interest rates remaining high over a long period. Core inflation is the decisive factor under this scenario and determines, notably, the monetary trajectory.

Scenario of business resilience despite inflation and monetary tightening

With the labour market holding up well and savings still abundant, albeit diminishing, household consumption mitigated the erosion of purchasing power and monetary tightening. Growth was thus more resilient than expected but so was core inflation. The scenario of deceleration without collapse presupposes a slow decline in inflation easing revenues and putting an end to central bank policy rate hikes.

In the United States, business showed good resistance though cracks are beginning to appear (adjustment of residential investment, productive investment sluggish and likely to contract, households probably more prudent and less spendthrift: labour market holding up well but dip in savings, recourse to debt via credit cards, rise in interest rates). Even if there was a slight contraction in the last quarter, growth could reach 2% in 2023 and 0.6% in 2024: an ultimately natural slowdown, based on the decline in headline inflation and especially core inflation, which should end 2023 at around 4.2% and 4.7% respectively, before both approaching 2.5% at the end of 2024. The risks are mainly downside under this scenario: increase in oil prices, sticky inflation and further rise in central bank policy rates.

In the Eurozone, the rather sudden drop in the pace of growth does not point to a recession but rather to the "normalisation" of behaviour. Assuming an average headline inflation falling from 8.4% in 2022 to 5.6% in 2023 and 2.9% in 2024, the scenario would result in a modest growth rate of 0.5% in 2023 and 1.3% in 2024, still below its potential rate.

The factors underpinning this normalisation are the relatively low number of insolvencies and restricted to specific sectors (hospitality, transport and logistics), the decline in prices that limit the extent to which business activity is weakened (consumption should benefit from the fall in inflation, improvement in real income as well as the surplus savings available to the wealthiest households, even though a large portion of this has already been turned into non-liquid property and financial assets). However, the recovery in consumption will be very moderate, particularly in France (fewer support measures) where the labour market remains resilient. Corporate margins remain at an acceptable level (margins restored thanks to higher production prices). Non-housing investment also remains a factor underpinning growth thanks to the decline in the cost of intermediate goods and strong support from European funds. The primarily downside risks to growth would tend to be due to an increase in oil prices, tighter credit conditions (which could shift growth normalisation towards a sharper correction) and an anticipated margin squeeze.

Response from central banks: determined tightening and prudence before any easing

While the fall in headline inflation has mostly been automatic, the stickiness of core inflation, itself fuelled by stronger-than-expected growth, has led central banks to be more aggressive. Provided that inflation, and especially core inflation, continues to fall, the end of central bank policy rate hikes can be expected soon. However, long rates could slowly move towards a decline, though modest in the Eurozone.

In September 2023, the Federal Reserve opted for the status quo (Fed Funds within the range of 5.25% to 5.50%) while pointing out that there could be a further hike and delivering a dot plot suggesting a further tightening of 25 basis points. The fear of a recession coupled with the fact that inflation is still too high argues in favour of an increase limited to 25 bp by the end of the year. Fed Funds could therefore reach their peak in winter (Upper Limit at 5.75%). There could be a gradual monetary easing from the second quarter of 2024 (25 bp per quarter), leaving the Upper Limit at 4.75% at the end of 2024.

The ECB is likely to maintain a restrictive monetary policy over the coming quarters since inflation is falling too slowly and is still far from the target. The ECB raised its rates in September, taking the deposit rate to 4% continuing its policy of quantitative tightening: reinvestments under the APP ending from July 2023 while those up to the end of 2024 under the PEPP continuing (this does not seem very consistent with monetary tightening through interest rates, hence the risk of a change in strategy and a possible end of reinvestments in 2024); TLTRO repayments will continue until the end of 2024 (but more gradually after the June 2023 repayment). There would be no cut in central bank policy rates before the end of 2024 (-50 bp).

Financial changes

By prioritising the fight against inflation, monetary strategies have helped limit the de-anchoring of inflation expectations and long-rate over-reaction, but they have promoted inverted interest rate curves and low or even negative real yields. Barring any inflation surprises, the risk of a rise in "risk-free" long rates and a noticeable widening of sovereign spreads within the Eurozone is limited. Our scenario also assumes US and German 10-year rates close to 4% and 2.60% respectively at the end of 2023, then falling slightly to 3.50% and remaining stable. The risk of an inverted curve over the long term is very real. Our scenario assumes a slightly positive slope (2/10-year swap rate) only from 2025 onwards.

◆ Second scenario: "Moderate adverse" scenario (weighted at 35%)

This scenario includes new inflationary pressures in 2024 driven by an increase in oil prices following from a concerted policy by OPEP+ countries of sharper cuts in oil production. Their objective is to arrive at higher selling prices sustained over the long term, which means higher tax revenues. By assumption, the stress is concentrated in 2024, and a gradual recovery will then take place in 2025-2026.

Scenario of price setting by oil cartels

Under this scenario, the price of oil barrel reaches $140 (compared with $95 under the central scenario and $160 under the severe adverse scenario below). The renewed pressure on energy prices generates a second wave of inflation in the United States and in Europe in 2024. In Europe, this price shock results in "surplus inflation" of about +1.1 point compared with the central scenario or a headline inflation of 4% in 2024 versus 2.9%. In the United States, the inflation shock is slightly more brutal (+1.3 point) driving inflation to 3.9% in 2024 versus 2.7% without the shock.

Repercussions for production: a moderate brake

The main consequence of this adverse scenario is the fall in household purchasing power and in private consumption: less spending on leisure, more selective consumption (more recourse to "discount" brands), deferred capital goods expenditure. Excess savings accumulated during the Covid crisis have reduced and no longer serve as buffers to dampen this new crisis.

As regards corporates, the rise in production costs impacts the industrial sector more particularly, a sector already heavily impacted by the previous gas and energy crisis: profitability undermined following the successive shocks of the last few years (Covid, supply difficulties, sustained increase in energy prices), fall in investment (lower profitability and worsening business climate), slight increase in unemployment rate.

And fiscal support measures for corporates and households are minimal due to the high level of public debt in the Eurozone and the increase in the cost of debt. This results in a GPD contraction in the Eurozone and the United States by an annual average of 0.9 GDP point in 2024 compared with the central scenario. The annual GDP growth in the Eurozone would be nil in 2024 (+0.9% under the central scenario) and that of the United States -0.3% (instead of +0.6%).

Response from central banks and financial changes

Central banks are raising their policy rate to tackle inflation. The ECB's deposit rate reaches 4.5% at the end of 2024 compared with 3.5% under the central scenario thereafter gradually falling to 3% at the end of 2026. The FED is also raising its Fed Funds rate to a more restrictive level in 2024. These responses lead to an increase in long-term sovereign rates (Bund at 3% in 2024), but no widening of OAT/Bund and BTP/Bund spreads.

◆ Third scenario: "Favourable" scenario (weighted at 5%)

Under this scenario, we assume an improvement in growth in China and, by extension, in Asia that would favourably impact business in Europe and in the United States through a slight improvement in trade. This renewed buoyancy is initiated by the Chinese government adopting a new stimulus plan aiming to restore household confidence and to support the property market. It hinges, firstly, on measures easing lending conditions (lower interest rate and debt ratio) and various incentives (e.g. municipality grants) with the aim of boosting construction programmes and, secondly, on support measures for households and youth employment. This will result in the recovery of the construction sector requiring more imported raw materials and machine tools (spreading to its regional and European partners) and more buoyant private consumer spending on capital goods. With all these measures, the growth rate in China in 2024 is better than expected under the central scenario: +5.2% against +4.5% without the recovery plan, a gain of +0.7 percentage point. In the euro zone, this scenario leads to a sharp decline in inflation and an upturn in the confidence and expectations of economic agents. We are observing a recovery in consumption linked to improved purchasing power, restored confidence and the use of part of the accumulated savings surplus. The improvement in expectations and the partial absorption of tensions on supplies are leading to a resumption of investment spending in 2023-2024.

Scenario of higher growth in Asia stimulating demand for imports from Europe

Increase in demand for imports from the Eurozone (China accounts for 7% of Eurozone exports and northern Asia for 11% of total exports) and from the United States due to the increase in Chinese imports. Upswing in the confidence and expectations of economic actors. Slight improvement in world trade. Decrease in corporate failures and fall in unemployment rate compared with the central scenario. In Europe, the growth slowdown is therefore not as sharp as under the central scenario. This "fresh boost" would give an impetus to growth in the Eurozone of about 0.5 GDP point in 2024. The annual growth rate would increase from 0.9% to 1.4% in 2024. In the United States, the extra support to growth would be slightly less (+0.2 GDP point), or an increase in growth to +0.8% instead of +0.6% in 2024.

Response from central banks and financial changes

The slight improvement in the economic situation does not lead to faster cuts in central bank policy rates in the Eurozone, with inflation remaining at a relatively high level of 3% in 2024. We assume the same figures for ECB rates as under the central scenario.

Long-term rates in the Eurozone: Overall, Bund at the same level as that assumed under the central scenario. French and Italian spreads are slightly more moderate than under the central scenario.

The stock market and real estate markets perform better than under the central scenario.

◆ Fourth scenario: "Severe adverse" (weighted at 10%)

Another inflation shock in Europe in 2024

We assume renewed (brutal and sharp) pressures on oil and gas prices in 2024 with more difficult climate conditions (very harsh winter in Europe in 2023-2024, very hot summer in Asia and Europe in 2024) and the impact of competition between Europe and Asia in the race for LNG (quite sharp increase in China). We also assume that there is no increase in the supply of oil from OPEP+ countries that could mitigate the increase in barrel prices. Lastly, we assume further difficulties for French nuclear power plants adding to the energy price shock under this scenario.

The price of oil barrel reaches $160 in 2024 while the price of natural gas registers a further sharp increase to a range of €200/MWh to €300/MWh in 2024. As a reminder, in 2022, the average prices for Brent and natural gas (Netherlands index) were $101/b and €123/MWh.

The second-round effects on inflation (increase in intermediate costs partly passed on to production prices) contribute to the upsurge in inflation in the Eurozone: average increase of about 2 percentage points in 2024 compared to 2023. In 2025, inflation slows down but remains high, at about 5%.

Fiscal response constrained by the high level of public debt

In the face of this upsurge in inflation, governments do not implement national support measures. Following two years of extremely accommodating measures for households and corporates to contain the deterioration in public finances, there is no shared response across European countries. Responses are constrained by already high public debt ratios (particularly in France and in Italy) and which are increasing significantly, impacted by the rise in interest rates, recession and planned investment expenditures (energy and digital transition, etc.).

Response from central banks

The central scenario assumes that the tightening ends in 2023. In this scenario, the priority remains the rapid control over inflation at the expense of growth. This results in continued monetary tightening by the Fed and the ECB. We assume that the Fed will undertake a further increase of Fed Funds rates to 5.75% in mid-2024, a level at which they will remain until the end of 2025. As for the ECB, it will raise its refinancing rate to 5% in mid-2024 and maintain it at that level until the end of 2025. A gradual cut will made in 2026.

Long term rates (swap and sovereign rates) increase sharply in 2024 before dropping back in 2025. The (2-10 year) curve is inverted (expected slowdown in inflation and decline in business). At the end of 2024, the Bund rate will be 3.85% and the 10-year swap in the Eurozone 4.20% (both +125 basis points compared with the central scenario).

Recession in the Eurozone in 2024-2025

Industrial production is penalised by the new increase in energy prices, and even supply difficulties (gas, etc.) and the rise in interest rates.

On the household front, the inflation shock causes a significant dent in purchasing power. Budgetary measures are very limited and not sufficient to dampen the shock, while the labour market is worsening and salary increases do not compensate for the increase in prices. The loss of purchasing power means a decline in consumption and an increase in precautionary savings. Corporates register hikes in production costs resulting in lower profit, even if in certain sectors the increase in costs is partly passed on to production prices. Productive investment declines.

The fall in GDP is quite significant in 2024-2025 in the Eurozone, of about 1.5% per year, with a slightly greater fall in France.

France - specific shock

In France, discontent over the pension reform continues. Wage demands to offset the loss of purchasing power are not met (transport, energy, civil service, etc.) giving rise to social conflict (similar to the "yellow vest crisis") and a partial halt to economic life. The government faces major difficulties in implementing new reforms. The rise in French 10-year OAT rates and the economic recession lead to a significant increase in budget deficit and public debt ratios. The combination of social crisis/political and budgetary difficulties lead to a downgrading of the sovereign rating by Moody's and S&P with a negative outlook.

Financial shocks

France is facing a sharp rise in 10-year OAT rates and in the OAT/Bund spread, nearing 160 bp in 2024 and 150 bp in 2025. The 10-year OAT rate reaches 5.45% at the end of 2024. Italy is also facing a sharp rise in 10-year multiannual Treasury Bonds (BTP) rates and in the BTP/Bund spread, nearing 280 bp in 2024 and 2025. Credit spreads are showing a significant increase particularly for financial companies.

Stock markets record a sharp drop, particularly the CAC 40, of about -40% over two years (recession, downgrading of rating, socio-political and budgetary tensions, rise in interest rates).

In the face of the significant rise in 10-year OAT rates, impacting borrowing rates, and the sharp deterioration of the economic situation, residential and commercial real estate markets in the Eurozone and in France, witness a greater correction.

Lastly, the euro depreciates against the dollar in 2024.

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▶ Focus on the changes in the main macroeconomic variables in the four scenarios:

	Ref.	Central scenario				Moderate adverse				Favourable				Severe adverse			
	2022	**2023**	**2024**	**2025**	**2026**	**2023**	**2024**	**2025**	**2026**	**2023**	**2024**	**2025**	**2026**	**2023**	**2024**	**2025**	**2026**
GDP – Eurozone	3.5	0.5	0.9	1.3	1.0	0.5	0.0	0.8	1.3	0.5	1.3	1.7	1.4	0.6	-1.6	-1.3	0.9
Unemployment rate – Eurozone	6.8	6.7	6.9	6.8	6.7	6.7	7.0	7.1	6.9	6.7	6.9	6.7	6.6	6.8	7.6	7.9	7.7
Inflation rate – Eurozone	8.4	5.6	2.9	2.4	2.2	5.6	4.0	3.0	2.5	5.6	3.0	2.5	2.2	5.5	8.0	5.0	3.5
GDP – France	2.5	0.9	1.0	1.4	1.4	0.9	0.1	0.7	1.6	0.9	1.2	1.6	1.4	0.6	-1.9	-1.5	1.3
Unemployment rate – France	7.3	7.3	7.7	7.9	8.0	7.3	7.9	8.0	8.0	7.3	7.6	7.8	8.0	7.3	8.0	8.8	8.6
Inflation rate – France	5.2	5.0	2.9	2.6	2.3	5.0	3.9	3.3	2.5	5.0	3.0	2.7	2.3	5.5	7.5	4.5	3.5
10-year OAT	3.1	3.3	3.3	2.8	3.0	3.3	3.7	3.6	3.0	3.3	3.3	2.8	2.9	3.3	5.5	4.5	3.1

◆ Sensitivity analysis of the macroeconomic scenarios in the calculation of IFRS 9 provisions (ECL Stages 1 and 2) on the basis of the central parameters:

▶ Scope: Crédit Agricole CIB group:

Variation of ECL in passage to 100% of the scenario (scope is Crédit Agricole CIB group)			
Central scenario	Moderate adverse	Severe adverse	Favourable scenario
- 1.5%	+ 1.9%	+ 6.4%	- 2.3%

This sensitivity on the ECLs defined under the central parameters may be subject to adjustments for local forward-looking projects which, as the case may be, could reduce it or increase it.

◆ Decomposition Stage 1 / Stage 2 and Stage 3

At the end of December 2023, including local forward-looking scenarios, the share of Stage 1/Stage 2 provisions on the one hand (provisions for performing customer loans) and Stage 3 provisions on the other (provisions for proven risks) represented 31% and 69% of hedging inventories for Crédit Agricole CIB group.

At the end of December 2023, net reversals to Stage 1/Stage 2 provisions amount to + €121 million of Crédit Agricole CIB group's annual cost of risk and net additions for the Stage 3 share of proven risks and other provisions amount to - €242 million, based on a presentation excluding restated exceptional items.

3.1.1 VALUE ADJUSTMENTS FOR LOSSES DURING THE PERIOD

Value adjustments for losses consist of asset impairments and credit risk-related provisions for off-balance sheet commitments recognised in net income ("Cost of risk").

The following tables present a comparison of the opening and closing balances of the value adjustments for losses recognised in "Cost of risk", by accounting category and type of instrument.

▶ Financial assets at amortised cost: debt instruments

	Performing assets				Credit-impaired assets (Stage 3)		Total		
	Assets subject to 12-month ECL (Stage 1)		Assets subject to lifetime ECL (Stage 2)						
In millions of euros	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount (a)	Loss allowance (b)	Net carrying amount (a) + (b)
Balance at 31 December 2022	**34,703**	**(6)**	**19**	**-**	**23**	**(23)**	**34,745**	**(29)**	**34,716**
Transfers between Stages during the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
Transfers from Stage 1 to Stage 2	-	-	-	-			-	-	
Return from Stage 2 to Stage 1	-	-	-	-			-	-	
Transfers to Stage 3 [1]	-	-	-	-	-	-	-	-	
Return from Stage 3 to Stage 2 / Stage 1	-	-	-	-	-	-	-	-	
Total after transfers	**34,703**	**(6)**	**19**	**-**	**23**	**(23)**	**34,745**	**(29)**	**34,716**
Changes in gross carrying amounts and loss allowances	**(597)**	**(3)**	**3**	**(1)**	**-**	**-**	**(594)**	**(4)**	
New production: purchase, granting, origination,… [2]	32,219	(8)	22	(1)			32,241	(9)	
Derecognition: disposal, repayment, maturity...	(32,108)	9	(19)	-	-	-	(32,127)	9	
Write-offs					-	-	-	-	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	-	-	-	-	-	
Changes in models' credit risk parameters during the period		(1)		-		-		(1)	
Changes in model / methodology		(1)		-		-		(1)	
Changes in scope	-	-	-	-	-	-	-	-	
Other	(708)	(2)	-	-	-	-	(708)	(2)	
Total	**34,106**	**(9)**	**22**	**(1)**	**23**	**(23)**	**34,151**	**(33)**	**34,118**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) [3]	310		-		-		310		
Balance at 31 December 2023	**34,416**	**(9)**	**22**	**(1)**	**23**	**(23)**	**34,461**	**(33)**	**34,428**
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-		-		-		-		

[1] Transfers to Stage 3 correspond to stocks initially classified in Stage 1, which were directly declassified to Stage 3, or to Stage 2 then Stage 3, over the course of the year.
[2] Originations in Stage 2 could include some originated loans in Stage 1 reclassified in Stage 2 during the period.
[3] Includes the variations of fair value adjustments of micro-hedged instruments, the variations relating to the use of the EIR method (notably the amortisation of premiums/ discounts), the variations of the accretion of discounts on restructured loans (recovered as revenue over the remaining term of the asset), and the variations of changes in related receivables.

▶ Financial assets at amortised cost: loans and receivables due from credit institutions

	Performing assets				Credit-impaired assets (Stage 3)		Total		
	Assets subject to 12-month ECL (Stage 1)		Assets subject to lifetime ECL (Stage 2)						
In millions of euros	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount (a)	Loss allowance (b)	Net carrying amount (a) + (b)
Balance at 31 December 2022	**60,323**	**(7)**	**89**	**(19)**	**491**	**(383)**	**60,903**	**(409)**	**60,494**
Transfers between Stages during the period	**(81)**	**-**	**81**	**(1)**	**-**	**-**	**-**	**(1)**	
Transfers from Stage 1 to Stage 2	(81)	-	81	(1)			-	(1)	
Return from Stage 2 to Stage 1	-	-	-	-			-	-	
Transfers to Stage 3 [1]	-	-	-	-	-	-	-	-	
Return from Stage 3 to Stage 2 / Stage 1	-	-	-	-	-	-	-	-	
Total after transfers	**60,242**	**(7)**	**170**	**(20)**	**491**	**(383)**	**60,903**	**(410)**	**60,493**
Changes in gross carrying amounts and loss allowances	**(2,213)**	**(4)**	**(5)**	**14**	**(13)**	**4**	**(2,231)**	**14**	
New production: purchase, granting, origination,… [2]	75,326	(82)	339	(19)			75,665	(101)	
Derecognition: disposal, repayment, maturity...	(77,762)	82	(334)	19	-	-	(78,096)	101	
Write-offs					-	-	-	-	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	-	-	-	-	-	
Changes in models' credit risk parameters during the period		(2)		12		(4)		6	
Changes in model / methodology		(2)		-		-		(2)	
Changes in scope	-	-	-	-	-	-	-	-	
Other	223	-	(10)	2	(13)	8	200	10	
Total	**58,029**	**(11)**	**165**	**(6)**	**478**	**(379)**	**58,672**	**(396)**	**58,276**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) [3]	81		-		1		82		
Balance at 31 December 2023	**58,110**	**(11)**	**165**	**(6)**	**479**	**(379)**	**58,754**	**(396)**	**58,358**
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-		-		-		-		

[1] Transfers to Stage 3 correspond to stocks initially classified in Stage 1, which were directly declassified to Stage 3, or to Stage 2 then Stage 3, over the course of the year.
[2] Originations in Stage 2 could include some originated loans in Stage 1 reclassified in Stage 2 during the period.
[3] Includes the variations of fair value adjustments of micro-hedged instruments, the variations relating to the use of the EIR method (notably the amortisation of premiums/ discounts), the variations of the accretion of discounts on restructured loans (recovered as revenue over the remaining term of the asset), and the variations of changes in related receivables.

▶ Financial assets at amortised cost: loans and receivables due from customers

	Performing assets				Credit-impaired assets (Stage 3)		Total		
	Assets subject to 12-month ECL (Stage 1)		Assets subject to lifetime ECL (Stage 2)						
In millions of euros	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount (a)	Loss allowance (b)	Net carrying amount (a) + (b)
Balance at 31 December 2022	**158,643**	**(197)**	**18,683**	**(720)**	**4,845**	**(2,068)**	**182,171**	**(2,985)**	**179,186**
Transfers between Stages during the period	**(5,090)**	**(22)**	**4,676**	**57**	**414**	**(118)**	**-**	**(83)**	
Transfers from Stage 1 to Stage 2	(9,023)	15	9,023	(64)			-	(49)	
Return from Stage 2 to Stage 1	4,152	(27)	(4,152)	38			-	11	
Transfers to Stage 3 [1]	(287)	2	(638)	99	925	(176)	-	(75)	
Return from Stage 3 to Stage 2 / Stage 1	68	(12)	443	(16)	(511)	58	-	30	
Total after transfers	**153,553**	**(219)**	**23,359**	**(663)**	**5,259**	**(2,186)**	**182,171**	**(3,068)**	**179,103**
Changes in gross carrying amounts and loss allowances	**199**	**26**	**(6,095)**	**69**	**(1,861)**	**423**	**(7,757)**	**518**	
New production: purchase, granting, origination, renegociation… [2]	115,704	(454)	4,889	(253)			120,593	(707)	
Derecognition: disposal, repayment, maturity...	(113,580)	439	(10,664)	310	(1,318)	143	(125,562)	892	
Write-offs					(465)	465	(465)	465	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	-	(16)	16	(16)	16	
Changes in models' credit risk parameters during the period		46		66		(244)		(132)	
Changes in model / methodology		(13)		(57)		-		(70)	
Changes in scope	3	-	-	-	-	-	3	-	
Other	(1,928)	8	(320)	3	(62)	43	(2,310)	54	
Total	**153,752**	**(193)**	**17,264**	**(594)**	**3,398**	**(1,763)**	**174,414**	**(2,550)**	**171,864**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) [3]	325		15		420		760		
Balance at 31 December 2023	**154,077**	**(193)**	**17,279**	**(594)**	**3,818**	**(1,763)**	**175,174**	**(2,550)**	**172,624**
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-		-		-		-		

[1] Transfers to Stage 3 correspond to stocks initially classified in Stage 1, which were directly declassified to Stage 3, or to Stage 2 then Stage 3, over the course of the year.
[2] Originations in Stage 2 could include some originated loans in Stage 1 reclassified in Stage 2 during the period.
[3] Includes the variations of fair value adjustments of micro-hedged instruments, the variations relating to the use of the EIR method (notably the amortisation of premiums/ discounts), the variations of the accretion of discounts on restructured loans (recovered as revenue over the remaining term of the asset), and the variations of changes in related receivables.

▶ Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss: debt instruments

	Performing assets				Credit-impaired assets (Stage 3)		Total	
	Assets subject to 12-month ECL (Stage 1)		Assets subject to lifetime ECL (Stage 2)					
In millions of euros	Carrying amount	Loss allowance	Carrying amount	Loss allowance	Carrying amount	Loss allowance	Carrying amount	Loss allowance
Balance at 31 December 2022	**10,436**	**(5)**	**-**	**-**	**-**	**(3)**	**10,436**	**(8)**
Transfers between Stages during the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transfers from Stage 1 to Stage 2	-	-	-	-			-	-
Return from Stage 2 to Stage 1	-	-	-	-			-	-
Transfers to Stage 3 [1]	-	-	-	-	-	-	-	-
Return from Stage 3 to Stage 2 / Stage 1	-	-	-	-	-	-	-	-
Total after transfers	**10,436**	**(5)**	**-**	**-**	**-**	**(3)**	**10,436**	**(8)**
Changes in gross carrying amounts and loss allowances	**(241)**	**(2)**	**-**	**-**	**-**	**-**	**(241)**	**(2)**
Fair value revaluation during the period	261		-		-		261	
New production: purchase, granting, origination,... [2]	7,187	(6)	-	-			7,187	(6)
Derecognition: disposal, repayment, maturity...	(7,379)	4	-	-	(1)	-	(7,380)	4
Write-offs					-	-	-	-
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	-	-	-	-	-
Changes in models' credit risk parameters during the period		-		-		-		-
Changes in model / methodology		-		-		-		-
Changes in scope	-	-	-	-	-	-	-	-
Other	(310)	-	-	-	1	-	(309)	-
Total	**10,195**	**(7)**	**-**	**-**	**-**	**(3)**	**10,195**	**(10)**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) [3]	-		-		-		-	
Balance at 31 December 2023	**10,195**	**(7)**	**-**	**-**	**-**	**(3)**	**10,195**	**(10)**
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-		-		-		-	

[1] Transfers to Stage 3 correspond to commitments initially classified in Stage 1,which were directly declassified to Stage 3, or to Stage 2 then Stage 3, over the course of the year.
[2] Originations in Stage 2 could include some originated loans in Stage 1 reclassified in Stage 2 during the period.
[3] Includes impacts related to the use of the EIR method (notably the amortisation of premiums/ discounts).

▶ Financing commitments

	Performing commitments				Provisioned commitments (Stage 3)		Total		
	Commitments subject to 12-month ECL (Stage 1)		Commitments subject to lifetime ECL (Stage 2)						
In millions of euros	Amount of commit-ment	Loss allowance	Amount of commit-ment	Loss allowance	Amount of commit-ment	Loss allowance	Amount of commit-ment (a)	Loss allowance (b)	Net amount of com-mitment (a) + (b)
Balance at 31 December 2022	**124,675**	**(121)**	**6,245**	**(169)**	**151**	**(13)**	**131,071**	**(303)**	**130,768**
Transfers between Stages during the period	**(1,972)**	**(13)**	**1,777**	**(2)**	**195**	**(9)**	**-**	**(24)**	
Transfers from Stage 1 to Stage 2	(3,704)	8	3,704	(43)			-	(35)	
Return from Stage 2 to Stage 1	1,793	(22)	(1,793)	38			-	16	
Transfers to Stage 3 [1]	(61)	1	(149)	3	210	(13)	-	(9)	
Return from Stage 3 to Stage 2 / Stage 1	-	-	15	-	(15)	4	-	4	
Total after transfers	**122,703**	**(134)**	**8,022**	**(171)**	**346**	**(22)**	**131,071**	**(327)**	**130,744**
Changes in commitments and loss allowances	**13,381**	**22**	**(1,587)**	**(3)**	**(151)**	**4**	**11,643**	**23**	
New commitments given [2]	100,959	(586)	2,100	(128)			103,059	(714)	
End of commitments	(86,034)	592	(3,570)	128	(155)	12	(89,759)	732	
Write-offs					-	-	-	-	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	-	-	-	-	-	
Changes in models' credit risk parameters during the period		23		20		(8)		35	
Changes in model / methodology		(5)		(35)		-		(40)	
Changes in scope	-	-	-	-	-	-	-	-	
Other	(1,544)	(2)	(117)	12	4	-	(1,657)	10	
Balance at 31 December 2023	**136,084**	**(112)**	**6,435**	**(174)**	**195**	**(18)**	**142,714**	**(304)**	**142,410**

[1] Transfers to Stage 3 correspond to commitments initially classified in Stage 1,which were directly declassified to Stage 3, or to Stage 2 then Stage 3, over the course of the year.
[2] New commitments in Stage 2 could include some originated commitments in Stage 1 reclassified in Stage 2 during the period.

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▶ Guarantee commitments

	Performing commitments				Provisioned commitments (Stage 3)		Total		
	Commitments subject to 12-month ECL (Stage 1)		Commitments subject to lifetime ECL (Stage 2)						
In millions of euros	Amount of commit-ment	Loss allowance	Amount of commit-ment	Loss allowance	Amount of commit-ment	Loss allowance	Amount of commit-ment (a)	Loss allowance (b)	Net amount of com-mitment (a) + (b)
Balance at 31 December 2022	**75,259**	**(17)**	**3,576**	**(19)**	**527**	**(101)**	**79,362**	**(137)**	**79,225**
Transfers between Stages during the period	**(1,367)**	**-**	**1,246**	**-**	**121**	**(1)**	**-**	**(1)**	
Transfers from Stage 1 to Stage 2	(2,243)	1	2,243	(3)			-	(2)	
Return from Stage 2 to Stage 1	947	(2)	(947)	3			-	1	
Transfers to Stage 3 [1]	(71)	1	(54)	-	125	(2)	-	(1)	
Return from Stage 3 to Stage 2 / Stage 1	-	-	4	-	(4)	1	-	1	
Total after transfers	**73,892**	**(17)**	**4,822**	**(19)**	**648**	**(102)**	**79,362**	**(138)**	**79,224**
Changes in commitments and loss allowances	**10,809**	**1**	**(1,230)**	**4**	**(65)**	**(32)**	**9,514**	**(27)**	
New commitments given [2]	127,350	(70)	1,894	(52)			129,244	(122)	
End of commitments	(115,154)	70	(3,055)	56	(90)	33	(118,299)	159	
Write-offs					-	-	-	-	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	-	-	-	-	-	
Changes in models' credit risk parameters during the period		2		2		(69)		(65)	
Changes in model / methodology		(1)		(3)		-		(4)	
Changes in scope	-	-	-	-	-	-	-	-	
Other	(1,387)	-	(69)	1	25	4	(1,431)	5	
Balance at 31 December 2023	**84,701**	**(16)**	**3,592**	**(15)**	**583**	**(134)**	**88,876**	**(165)**	**88,711**

[1] Transfers to Stage 3 correspond to commitments initially classified in Stage 1, which were directly declassified to Stage 3, or to Stage 2 then Stage 3, over the course of the year.
[2] New commitments in Stage 2 could include some originated commitments in Stage 1 reclassified in Stage 2 during the period.

3.1.2 MAXIMUM EXPOSURE TO CREDIT RISK

An entity's maximum credit risk exposure corresponds to the carrying amount, net of any recognised impairment loss and excluding assets held as collateral or other credit enhancements (e.g. netting agreements not qualifying for offsetting conditions under IAS 32).

The tables below show the maximum exposures as well as the amount of collateral held and other credit enhancement techniques used to reduce this exposure.

Impaired assets at the reporting date correspond to credit-impaired assets (Stage 3).

▶ Financial assets not subject to impairment requirements (recognised at fair value through profit or loss)

	31.12.2023					
		Credit risk mitigation				
		Collateral held as security			Other credit enhancement	
In millions of euros	Maximum exposure to credit risk	Financial instruments provided as collateral	Mortgages	Pledged securities	Guarantees	Credit derivatives
Financial assets at fair value through profit or loss (excluding equity securities and assets backing unit-linked contracts)	**337,655**	**193,960**	**210**	**64**	**234**	**-**
Financial assets held for trading	337,621	193,960	210	64	234	-
Debt instruments that do not meet the conditions of the "SPPI" test	34	-	-	-	-	-
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-
Hedging derivative Instruments	**2,271**	**-**	**-**	**-**	**-**	**-**
TOTAL	**339,926**	**193,960**	**210**	**64**	**234**	**-**

	31.12.2022					
		Credit risk mitigation				
		Collateral held as security			Other credit enhancement	
In millions of euros	Maximum exposure to credit risk	Financial instruments provided as collateral	Mortgages	Pledged securities	Guarantees	Credit derivatives
Financial assets at fair value through profit or loss (excluding equity securities and assets backing unit-linked contracts)	**289,748**	**147,272**	**634**	**-**	**153**	**-**
Financial assets held for trading	289,563	147,272	634	-	153	-
Debt instruments that do not meet the conditions of the "SPPI" test	185	-	-	-	-	-
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-
Hedging derivative Instruments	**2,611**	**-**	**-**	**-**	**-**	**-**
TOTAL	**292,359**	**147,272**	**634**	**-**	**153**	**-**

Financial assets subject to impairment requirements

	31.12.2023					
		Credit risk mitigation				
		Collateral held as security			Other credit enhancement	
In millions of euros	Maximum exposure to credit risk	Financial instruments provided as collateral	Mortgages	Pledged securities	Guarantees	Credit derivatives
Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss	**10,195**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
Loans and receivables due from credit institutions	**-**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
Loans and receivables due from customers	**-**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
Debt securities	**10,195**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
Financial assets at amortised cost	**265,410**	**4,693**	**10,948**	**38,943**	**50,591**	**443**
of which impaired assets at the reporting date	2,155	-	145	776	204	-
Loans and receivables due from credit institutions	**58,358**	**3,941**	**-**	**396**	**1,243**	**-**
of which impaired assets at the reporting date	100	-	-	-	-	-
Loans and receivables due from customers	**172,624**	**752**	**10,936**	**38,428**	**49,020**	**443**
of which impaired assets at the reporting date	2,055	-	145	776	204	-
Debt securities	**34,428**	**-**	**12**	**119**	**328**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
Total	**275,605**	**4,693**	**10,948**	**38,943**	**50,591**	**443**
of which impaired assets at the reporting date	2,155	-	145	776	204	-

	31.12.2022					
		Credit risk mitigation				
		Collateral held as security			Other credit enhancement	
In millions of euros	Maximum exposure to credit risk	Financial instruments provided as collateral	Mortgages	Pledged securities	Guarantees	Credit derivatives
Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss	**10,436**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
Loans and receivables due from credit institutions	**-**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
Loans and receivables due from customers	**-**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
Debt securities	**10,436**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
Financial assets at amortised cost	**274,396**	**-**	**39,943**	**23,497**	**42,318**	**1,360**
of which impaired assets at the reporting date	2,885	-	-	194	865	-
Loans and receivables due from credit institutions	**60,494**	**-**	**-**	**277**	**3,924**	**-**
of which impaired assets at the reporting date	108	-	-	-	107	-
Loans and receivables due from customers	**179,186**	**-**	**39,943**	**23,220**	**38,394**	**1,360**
of which impaired assets at the reporting date	2,777	-	-	194	758	-
Debt securities	**34,716**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
Total	**284,832**	**-**	**39,943**	**23,497**	**42,318**	**1,360**
of which impaired assets at the reporting date	2,885	-	-	194	865	-

Off-balance sheet commitments subject to provisioning requirements

	31.12.2023					
		Credit risk mitigation				
		Collateral held as security			Other credit enhancement	
In millions of euros	Maximum exposure to credit risk	Financial instruments provided as collateral	Mortgages	Pledged securities	Guarantees	Credit derivatives
Guarantee commitments (Except internal transactions to the Group Crédit Agricole)	**88,711**	**-**	**88**	**110**	**13,137**	**1,157**
of which provisioned commitments at the reporting date	448	-	-	23	14	-
Financing commitments (Except internal transactions to the Group Crédit Agricole)	**142,410**	**-**	**1,242**	**5,969**	**48,543**	**4,178**
of which provisioned commitments at the reporting date	177	-	-	41	19	-
Total	**231,121**	**-**	**1,330**	**6,079**	**61,680**	**5,335**
of which provisioned commitments at the reporting date	625	-	-	64	33	-

	31.12.2022					
		Credit risk mitigation				
		Collateral held as security			Other credit enhancement	
In millions of euros	Maximum exposure to credit risk	Financial instruments provided as collateral	Mortgages	Pledged securities	Guarantees	Credit derivatives
Guarantee commitments (Except internal transactions to the Group Crédit Agricole)	**79,225**	**-**	**7**	**280**	**3,210**	**1,314**
of which provisioned commitments at the reporting date	426	-	-	-	25	-
Financing commitments (Except internal transactions to the Group Crédit Agricole)	**130,768**	**-**	**128**	**502**	**21,812**	**6,124**
of which provisioned commitments at the reporting date	138	-	-	-	1	-
Total	**209,993**	**-**	**135**	**782**	**25,022**	**7,438**
of which provisioned commitments at the reporting date	564	-	-	-	26	-

3.1.3 MODIFIED FINANCIAL ASSETS

Modified financial assets comprise assets restructured due to financial hardships. These are receivables for which Crédit Agricole CIB has modified the initial financial terms (interest rate, maturity, etc.) for economic or legal reasons associated with the borrower's financial hardships, under conditions that would not have been considered in other circumstances. They can thus comprise receivables classified as defaulted or as performing at the restructuring date. (A more detailed definition of restructured outstandings and their accounting treatment is detailed in Note 1.2 "Accounting principles and methods", Chapter "Financial instruments - Credit risk").

For assets restructured over the period, the carrying amount established post-restructuring is:

	Performing assets		
In millions of euros	Assets subject to 12-month ECL (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Credit-impaired assets (Stage 3)
Loans and receivables due from credit institutions	**-**	**-**	**-**
Gross carrying amount before modification	-	-	-
Net gains (losses) resulting from the modification	-	-	-
Loans and receivables due from customers	**-**	**484**	**650**
Gross carrying amount before modification	-	484	666
Net gains (losses) resulting from the modification	-	-	(16)
Debt securities	**-**	**-**	**-**
Gross carrying amount before modification	-	-	-
Net gains (losses) resulting from the modification	-	-	-

In accordance with the principles set out in Note 1.2 "Accounting principles and methods", Chapter "Financial instruments - Credit risk", restructured assets classified in Stage 2 (performing assets) or Stage 3 (credit-impaired assets) may be returned to Stage 1 (performing assets). The carrying amount of modified assets subject to reclassification over the period is:

	Gross carrying amount
In millions of euros	Assets subject to 12-month ECL (Stage 1)
Restructured assets previously classified in Stage 2 or Stage 3 and reclassified in Stage 1 during the period	
Loans and receivables due from credit institutions	-
Loans and receivables due from customers	5
Debt securities	-
TOTAL	**5**

3.1.4 CONCENTRATIONS OF CREDIT RISK

Carrying amounts and amounts of commitments are presented net of impairments and provisions.

EXPOSURE TO CREDIT RISK BY CREDIT RISK CLASS

Credit risk classes are shown in PD intervals. The correspondence between internal ratings and PD intervals is detailed in the "Risks and Pillar 3 – Credit risk management" chapter.

▶ Financial assets at amortised cost

		31.12.2023				31.12.2022			
		Carrying amount				Carrying amount			
		Performing assets				Performing assets			
In millions of euros	Credit risk rating grades	Assets subject to 12-month ECL (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Credit-impaired assets (Stage 3)	Total	Assets subject to 12-month ECL (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Credit-impaired assets (Stage 3)	Total
Non-retail customers	PD ≤ 0.6%	209,274	5,817		215,091	214,931	5,031		219,962
	0.6% < PD < 12%	25,803	9,707		35,510	26,094	11,835		37,929
	12% ≤ PD < 100%		1,895		1,895		1,850		1,850
	PD = 100%			4,173	4,173			5,210	5,210
Total Non-retail customers		**235,077**	**17,419**	**4,173**	**256,669**	**241,025**	**18,716**	**5,210**	**264,951**
Retail customers	PD ≤ 0.5%	11,161	17		11,178	12,310	60		12,370
	0.5% < PD ≤ 2%	353	3		356	317	-		317
	2% < PD ≤ 20%	12	27		39	17	15		32
	20% < PD < 100%		-		-		-		-
	PD = 100%			147	147			149	149
Total Retail customers		**11,526**	**47**	**147**	**11,720**	**12,644**	**75**	**149**	**12,868**
Impairment		(213)	(601)	(2,165)	(2,979)	(211)	(738)	(2,474)	(3,423)
TOTAL		**246,390**	**16,865**	**2,155**	**265,410**	**253,458**	**18,053**	**2,885**	**274,396**

▶ Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss

		31.12.2023				31.12.2022			
		Carrying amount				Carrying amount			
		Performing assets				Performing assets			
In millions of euros	Credit risk rating grades	Assets subject to 12-month ECL (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Credit-impaired assets (Stage 3)	Total	Assets subject to 12-month ECL (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Credit-impaired assets (Stage 3)	Total
Non-retail customers	PD ≤ 0.6%	9,856	-		9,856	10,167	-		10,167
	0.6% < PD < 12%	339	-		339	269	-		269
	12% ≤ PD < 100%		-		-		-		-
	PD = 100%			-	-			-	-
Total Non-retail customers		**10,195**	**-**	**-**	**10,195**	**10,436**	**-**	**-**	**10,436**
Retail customers	PD ≤ 0.5%	-	-		-	-	-		-
	0.5% < PD ≤ 2%	-	-		-	-	-		-
	2% < PD ≤ 20%	-	-		-	-	-		-
	20% < PD < 100%		-		-		-		-
	PD = 100%			-	-			-	-
Total Retail customers		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL		**10,195**	**-**	**-**	**10,195**	**10,436**	**-**	**-**	**10,436**

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▶ Financing commitments

		31.12.2023				31.12.2022			
		Amount of commitment				Amount of commitment			
		Performing commitments				Performing commitments			
In millions of euros	Credit risk rating grades	Commitments subject to 12-month ECL (Stage 1)	Commitments subject to lifetime ECL (Stage 2)	Provisioned commitment (Stage 3)	Total	Commitments subject to 12-month ECL (Stage 1)	Commitments subject to lifetime ECL (Stage 2)	Provisioned commitment (Stage 3)	Total
Non-retail customers	PD ≤ 0.6%	121,448	1,676		123,124	110,519	1,013		111,532
	0.6% < PD < 12%	12,101	3,783		15,884	12,149	4,246		16,395
	12% ≤ PD < 100%		973		973		982		982
	PD = 100%			195	195			151	151
Total Non-retail customers		**133,549**	**6,432**	**195**	**140,176**	**122,668**	**6,241**	**151**	**129,060**
Retail customers	PD ≤ 0.5%	2,321	2		2,323	1,886	1		1,887
	0.5% < PD ≤ 2%	214	-		214	121	-		121
	2% < PD ≤ 20%	-	1		1	-	3		3
	20% < PD < 100%		-		-		-		-
	PD = 100%			-	-			-	-
Total Retail customers		**2,535**	**3**	**-**	**2,538**	**2,007**	**4**	**-**	**2,011**
Provisions [1]		(112)	(174)	(18)	(304)	(121)	(169)	(13)	(303)
TOTAL		**135,972**	**6,261**	**177**	**142,410**	**124,554**	**6,076**	**138**	**130,768**

[1] *Expected or recorded losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities.*

▶ Guarantee commitments

		31.12.2023				31.12.2022			
		Amount of commitment				Amount of commitment			
		Performing commitments				Performing commitments			
In millions of euros	Credit risk rating grades	Commitments subject to 12-month ECL (Stage 1)	Commitments subject to lifetime ECL (Stage 2)	Provisioned commitment (Stage 3)	Total	Commitments subject to 12-month ECL (Stage 1)	Commitments subject to lifetime ECL (Stage 2)	Provisioned commitment (Stage 3)	Total
Non-retail customers	PD ≤ 0.6%	79,716	2,550		82,266	69,569	2,046		71,615
	0.6% < PD < 12%	4,314	842		5,156	5,022	1,317		6,339
	12% ≤ PD < 100%		187		187		197		197
	PD = 100%			583	583			527	527
Total Non-retail customers		**84,030**	**3,579**	**583**	**88,192**	**74,591**	**3,560**	**527**	**78,678**
Retail customers	PD ≤ 0.5%	537	9		546	629	-		629
	0.5% < PD ≤ 2%	133	-		133	38	-		38
	2% < PD ≤ 20%	1	4		5	1	16		17
	20% < PD < 100%		-		-		-		-
	PD = 100%			-	-			-	-
Total Retail customers		**671**	**13**	**-**	**684**	**668**	**16**	**-**	**684**
Provisions [1]		(16)	(15)	(134)	(165)	(17)	(19)	(101)	(137)
TOTAL		**84,685**	**3,577**	**449**	**88,711**	**75,242**	**3,557**	**426**	**79,225**

[1] *Expected or recorded losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities.*

CONCENTRATIONS OF CREDIT RISK BY ECONOMIC AGENT

▶ Financial assets at amortised cost by economic agent

	31.12.2023							31.12.2022						
	Carrying amount							Carrying amount						
	Performing assets							Performing assets						
In millions of euros	Assets subject to 12-month ECL (Stage 1)	Impairment on assets (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Impairment on assets (Stage 2)	Credit-impaired assets (Stage 3)	Impairment on assets (Stage3)	Gross amount	Assets subject to 12-month ECL (Stage 1)	Impairment on assets (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Impairment on assets (Stage 2)	Credit-impaired assets (Stage 3)	Impairment on assets (Stage 3)	Gross amount
General administration	19,960	(10)	1,055	(4)	39	(37)	21,054	19,909	(9)	683	(3)	148	(35)	20,740
Central banks	6,975	-	64	(6)	-	-	7,039	5,372	-	31	(15)	-	-	5,403
Credit institutions	58,866	(12)	101	-	479	(379)	59,446	62,982	(8)	58	(4)	491	(383)	63,531
Large corporates	149,381	(188)	16,199	(590)	3,656	(1,729)	169,236	152,762	(192)	17,944	(715)	4,572	(2,038)	175,278
Retail customers	11,421	(3)	47	(1)	146	(20)	11,614	12,644	(2)	75	(1)	148	(18)	12,867
TOTAL	**246,603**	**(213)**	**17,466**	**(601)**	**4,320**	**(2,165)**	**268,389**	**253,669**	**(211)**	**18,791**	**(738)**	**5,359**	**(2,474)**	**277,819**

▶ Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss by economic agent

	31.12.2023							31.12.2022						
	Carrying amount							Carrying amount						
	Performing assets							Performing assets						
In millions of euros	Assets subject to 12-month ECL (Stage 1)	Impairment on assets (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Impairment on assets (Stage 2)	Credit-impaired assets (Stage 3)	Impairment on assets (Stage 3)	Total	Assets subject to 12-month ECL (Stage 1)	Impairment on assets (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Impairment on assets (Stage 2)	Credit-impaired assets (Stage 3)	Impairment on assets (Stage 3)	Total
General administration	8,123	(6)	-	-	-	-	8,123	7,882	(4)	-	-	-	-	7,882
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Credit institutions	1,520	(1)	-	-	-	-	1,520	2,081	(1)	-	-	-	(1)	2,081
Large corporates	552	-	-	-	-	(3)	552	473	-	-	-	-	(2)	473
Retail customers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	**10,195**	**(7)**	**-**	**-**	**-**	**(3)**	**10,195**	**10,436**	**(5)**	**-**	**-**	**-**	**(3)**	**10,436**

▶ Amounts due to customers by economic agent

In millions of euros	31.12.2023	31.12.2022
General administration	23,947	19,697
Large corporates	135,122	141,342
Retail customers	24,263	25,812
TOTAL AMOUNT DUE TO CUSTOMERS	**183,332**	**186,851**

▶ Financing commitments by economic agent

	31.12.2023							31.12.2022						
	Amount of commitment							Amount of commitment						
	Performing commitments							Performing commitments						
In millions of euros	Commitments subject to 12-month ECL (Stage 1)	Provisions on commitments (Stage 1) [1]	Commitments subject to lifetime ECL (Stage 2)	Provisions on commitments (Stage 2) [1]	Provisioned commitments (Stage 3)	Provisions on commitments (Stage 3) [1]	Gross amount	Commitments subject to 12-month ECL (Stage 1)	Provisions on commitments (Stage 1) [1]	Commitments subject to lifetime ECL (Stage 2)	Provisions on commitments (Stage 2) [1]	Provisioned commitments (Stage 3)	Provisions on commitments (Stage 3) [1]	Gross amount
General administration	5,240	(4)	962	(11)	-	-	6,202	5,052	(2)	795	(3)	-	-	5,847
Central banks	-	-	-	-	-	-	-	12	-	-	-	-	-	12
Credit institutions	6,061	(1)	22	-	-	-	6,083	5,819	(1)	27	-	-	-	5,846
Large corporates	122,248	(106)	5,448	(163)	195	(18)	127,891	111,785	(118)	5,420	(166)	151	(13)	117,356
Retail customers	2,535	(1)	3	-	-	-	2,538	2,007	-	4	-	-	-	2,011
TOTAL	**136,084**	**(112)**	**6,435**	**(174)**	**195**	**(18)**	**142,714**	**124,675**	**(121)**	**6,245**	**(169)**	**151**	**(13)**	**131,071**

[1] Expected or recorded losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities.

▶ Guarantee commitments by economic agent

	31.12.2023							31.12.2022						
	Amount of commitment							Amount of commitment						
	Performing commitments							Performing commitments						
In millions of euros	Commitments subject to 12-month ECL (Stage 1)	Provisions on commitments (Stage 1) [1]	Commitments subject to lifetime ECL (Stage 2)	Provisions on commitments (Stage 2) [1]	Provisioned commitments (Stage 3)	Provisions on commitments (Stage 3) [1]	Gross amount	Commitments subject to 12-month ECL (Stage 1)	Provisions on commitments (Stage 1) [1]	Commitments subject to lifetime ECL (Stage 2)	Provisions on commitments (Stage 2) [1]	Provisioned commitments (Stage 3)	Provisions on commitments (Stage 3) [1]	Gross amount
General administration	126	-	-	-	-	-	126	183	-	-	-	-	-	183
Central banks	406	-	-	-	-	-	406	438	-	-	-	-	-	438
Credit institutions	6,534	(2)	130	-	29	-	6,693	7,605	(3)	104	(1)	-	-	7,709
Large corporates	76,964	(13)	3,449	(15)	554	(134)	80,967	66,365	(14)	3,456	(18)	527	(101)	70,348
Retail customers	671	(1)	13	-	-	-	684	668	-	16	-	-	-	684
TOTAL	**84,701**	**(16)**	**3,592**	**(15)**	**583**	**(134)**	**88,876**	**75,259**	**(17)**	**3,576**	**(19)**	**527**	**(101)**	**79,362**

[1] Expected or recorded losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities.

CONCENTRATIONS OF CREDIT RISK BY GEOGRAPHIC AREA

▶ Financial assets at amortised cost by geographic area

	31.12.2023				31.12.2022			
	Carrying amount				Carrying amount			
	Performing assets				Performing assets			
In millions of euros	Assets subject to 12-month ECL (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Credit-impaired assets (Stage 3)	Total	Assets subject to 12-month ECL (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Credit-impaired assets (Stage 3)	Total
France (including overseas departments and territories)	85,974	2,838	847	**89,659**	87,152	3,144	890	**91,186**
Other European Union countries	46,081	3,086	698	**49,865**	47,722	2,658	674	**51,054**
Other European countries	24,121	1,913	504	**26,538**	24,613	3,226	863	**28,702**
North America	35,591	3,138	266	**38,995**	34,958	3,242	310	**38,510**
Central and South America	9,170	1,700	1,059	**11,929**	9,256	1,768	1,359	**12,383**
Africa and Middle East	12,576	2,077	555	**15,208**	13,244	1,614	591	**15,449**
Asia-Pacific (excluding Japan)	29,090	1,843	391	**31,324**	32,876	2,157	489	**35,522**
Japan	3,955	871	-	**4,826**	3,805	982	183	**4,970**
Supranational organisations	45	-	-	**45**	43	-	-	**43**
Impairment	(213)	(601)	(2,165)	**(2,979)**	(211)	(738)	(2,474)	**(3,423)**
TOTAL	**246,390**	**16,865**	**2,155**	**265,410**	**253,458**	**18,053**	**2,885**	**274,396**

▶ Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss by geographic area

	31.12.2023				31.12.2022			
	Carrying amount				Carrying amount			
	Performing assets				Performing assets			
In millions of euros	Assets subject to 12-month ECL (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Credit-impaired assets (Stage 3)	Total	Assets subject to 12-month ECL (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Credit-impaired assets (Stage 3)	Total
France (including overseas departments and territories)	2,012	-	-	**2,012**	1,755	-	-	**1,755**
Other European Union countries	2,696	-	-	**2,696**	3,318	-	-	**3,318**
Other European countries	498	-	-	**498**	512	-	-	**512**
North America	1,654	-	-	**1,654**	1,781	-	-	**1,781**
Central and South America	153	-	-	**153**	203	-	-	**203**
Africa and Middle East	189	-	-	**189**	303	-	-	**303**
Asia-Pacific (excluding Japan)	1,049	-	-	**1,049**	1,132	-	-	**1,132**
Japan	1,859	-	-	**1,859**	1,358	-	-	**1,358**
Supranational organisations	85	-	-	**85**	74	-	-	**74**
TOTAL	**10,195**	**-**	**-**	**10,195**	**10,436**	**-**	**-**	**10,436**

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▶ Amounts due to customers by geographical area

In millions of euros	31.12.2023	31.12.2022
France (including overseas departments and territories)	40,284	48,135
Other European Union countries	54,869	54,497
Other European countries	24,529	24,182
North America	13,260	17,478
Central and South America	4,836	4,443
Africa and Middle East	6,376	8,859
Asia-Pacific (excluding Japan)	24,278	20,322
Japan	14,900	8,935
Supranational organisations	-	-
TOTAL AMOUNT DUE TO CUSTOMERS	**183,332**	**186,851**

▶ Financing commitments by geographical area

	31.12.2023				31.12.2022			
	Amount of commitment				Amount of commitment			
	Performing commitments				Performing commitments			
In millions of euros	Commitments subject to 12-month ECL (Stage 1)	Commitments subject to lifetime ECL (Stage 2)	Provisioned commitments (Stage 3)	Total	Commitments subject to 12-month ECL (Stage 1)	Commitments subject to lifetime ECL (Stage 2)	Provisioned commitment (Stage 3)	Total
France (including overseas departments and territories)	37,171	1,070	30	**38,271**	35,347	425	106	**35,878**
Other European Union countries	36,979	673	37	**37,689**	30,728	551	22	**31,301**
Other European countries	14,279	429	2	**14,710**	14,377	675	6	**15,058**
North America	30,373	1,918	4	**32,295**	25,683	2,692	9	**28,384**
Central and South America	2,603	716	6	**3,325**	2,329	1,233	7	**3,569**
Africa and Middle East	4,794	1,212	-	**6,006**	5,573	453	-	**6,026**
Asia-Pacific (excluding Japan)	8,250	417	116	**8,783**	8,991	216	1	**9,208**
Japan	1,635	-	-	**1,635**	1,647	-	-	**1,647**
Supranational organisations	-	-	-	**-**	-	-	-	**-**
Provisions [1]	(112)	(174)	(18)	**(304)**	(121)	(169)	(13)	**(303)**
TOTAL	**135,972**	**6,261**	**177**	**142,410**	**124,554**	**6,076**	**138**	**130,768**

[1] *Expected or recorded losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities.*

▶ Guarantee commitments by geographical area

	31.12.2023				31.12.2022			
	Amount of commitment				Amount of commitment			
	Performing commitments				Performing commitments			
In millions of euros	Commitments subject to 12-month ECL (Stage 1)	Commitments subject to lifetime ECL (Stage 2)	Provisioned commitments (Stage 3)	Total	Commitments subject to 12-month ECL (Stage 1)	Commitments subject to lifetime ECL (Stage 2)	Provisioned commitment (Stage 3)	Total
France (including overseas departments and territories)	14,528	354	69	**14,951**	14,168	206	8	**14,382**
Other European Union countries	14,862	1,290	393	**16,545**	13,275	842	423	**14,540**
Other European countries	6,615	1,002	28	**7,645**	9,016	1,565	33	**10,614**
North America	34,826	349	66	**35,241**	24,672	529	20	**25,221**
Central and South America	2,179	25	4	**2,208**	1,376	24	4	**1,404**
Africa and Middle East	1,301	93	22	**1,416**	1,530	17	38	**1,585**
Asia-Pacific (excluding Japan)	9,465	416	1	**9,882**	10,000	329	1	**10,330**
Japan	925	63	-	**988**	1,222	64	-	**1,286**
Supranational organisations	-	-	-	**-**	-	-	-	**-**
Provisions [1]	(16)	(15)	(134)	**(165)**	(17)	(19)	(101)	**(137)**
TOTAL	**84,685**	**3,577**	**449**	**88,711**	**75,242**	**3,557**	**426**	**79,225**

[1] *Expected or incurred losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities.*

3.2 Exposure to sovereign risk

The scope of the sovereign exposures recorded includes exposures to government debt and excludes local authority debt. Tax debt is excluded from the scope.

The sovereign debt exposure is equal to the exposure net of impairment (carrying amount) presented both gross and net of hedging.

Crédit Agricole CIB's sovereign risk exposure is as follows:

BANKING ACTIVITY

	31.12.2023						
	Exposures Banking activity net of impairment						
	Other financial instruments at fair value through profit or loss						
In millions of euros	Held-for-trading financial assets	Other financial instruments at fair value through profit or loss	Financial assets at fair value through other comprehen-sive income that may be reclassified to profit or loss	Financial assets at amortised cost	Total banking activity before hedging	Hedging	Total banking activity after hedging
Saudi Arabia	-	-	-	326	326	-	326
Argentina	-	-	-	30	30	-	30
Belgium	-	-	-	218	218	(6)	212
Brazil	24	-	153	91	268	-	268
China	242	-	-	480	722	-	722
Egypt	-	-	-	377	377	-	377
Spain	-	-	-	-	-	-	-
United States	6,024	-	45	857	6,926	(81)	6,845
France	-	-	-	973	973	(48)	925
Hong Kong	57	-	-	1,124	1,181	(9)	1,172
Israel	-	-	-	-	-	-	-
Italy	-	-	-	-	-	-	-
Japan	-	-	1,209	1,170	2,379	4	2,383
Poland	-	-	-	-	-	-	-
United Kingdom	-	-	-	-	-	-	-
Russia	-	-	-	-	-	-	-
Taiwan	-	-	9	-	9	-	9
Turkey	-	-	-	-	-	-	-
Ukraine	-	-	-	92	92	-	92
Other sovereign countries	2,606	-	802	5,415	8,823	(24)	8,799
Total	**8,953**	**-**	**2,218**	**11,153**	**22,324**	**(164)**	**22,160**

	31.12.2022						
	Exposures Banking activity net of impairment						
	Other financial instruments at fair value through profit or loss						
In millions of euros	Held-for-trading financial assets	Other financial instruments at fair value through profit or loss	Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss	Financial assets at amortised cost	Total banking activity before hedging	Hedging	Total banking activity after hedging
Saudi Arabia	-	-	-	1,337	1,337	-	1,337
Argentina	-	-	-	36	36	-	36
Belgium	-	-	-	113	113	(17)	96
Brazil	21	-	203	103	327	-	327
China	152	-	-	329	481	-	481
Egypt	-	-	-	369	369	-	369
Spain	-	-	-	-	-	-	-
United States	827	-	43	641	1,511	(98)	1,413
France	-	-	-	793	793	(43)	750
Hong Kong	44	-	-	1,347	1,391	(12)	1,379
Israel	-	-	-	-	-	-	-
Italy	-	-	-	-	-	-	-
Japan	226	-	744	1,273	2,243	(9)	2,234
Poland	-	-	-	-	-	-	-
United Kingdom	-	-	-	-	-	-	-
Russia	-	-	-	-	-	-	-
Taiwan	-	-	9	-	9	-	9
Turkey	-	-	-	-	-	-	-
Ukraine	-	-	-	97	97	-	97
Other sovereign countries	897	-	761	5,442	7,100	-	7,100
TOTAL	**2,167**	**-**	**1,760**	**11,880**	**15,807**	**(179)**	**15,628**

3.3 Market risk

(See "Risks and Pillar 3 - Risk Management" chapter)

3.3.1 DERIVATIVE TRANSACTIONS: ANALYSIS BY RESIDUAL MATURITY

The breakdown of the MtMs of derivative instruments is shown by remaining contractual maturity.

▶ **Hedging derivatives - fair value of assets**

	31.12.2023				31.12.2022			
	Exchange-traded and over-the-counter transactions				Exchange-traded and over-the-counter transactions			
In millions of euros	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value
Interest rate instruments	1,623	237	52	1,912	1,646	432	84	2,162
Currency instruments	95	21	-	116	118	16	-	134
Other instruments	11	-	-	11	-	-	-	-
Subtotal	**1,729**	**258**	**52**	**2,039**	**1,764**	**448**	**84**	**2,296**
Forward currency transactions	232	-	-	232	312	3	-	315
TOTAL FAIR VALUE OF HEDGING DERIVATIVES - ASSETS	**1,961**	**258**	**52**	**2,271**	**2,076**	**451**	**84**	**2,611**

▶ Hedging derivatives - fair value of liabilities

	31.12.2023				31.12.2022			
	Exchange-traded and over-the-counter transactions				Exchange-traded and over-the-counter transactions			
In millions of euros	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value
Interest rate instruments	2,848	78	-	2,926	3,465	190	3	3,658
Currency instruments	19	-	-	19	68	-	-	68
Other instruments	2	-	-	2	22	-	-	22
Subtotal	**2,869**	**78**	**-**	**2,947**	**3,555**	**190**	**3**	**3,748**
Forward currency transactions	1,046	-	-	1,046	1,393	-	-	1,393
TOTAL FAIR VALUE OF HEDGING DERIVATIVES - LIABILITIES	**3,915**	**78**	**-**	**3,993**	**4,948**	**190**	**3**	**5,141**

▶ Trading derivatives - fair value of assets

	31.12.2023				31.12.2022			
	Exchange-traded and over-the-counter transactions				Exchange-traded and over-the-counter transactions			
In millions of euros	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value
Interest rate instruments	7,854	22,303	47,860	78,017	7,856	26,191	58,340	92,387
Currency instruments and gold	8,264	6,218	6,814	21,296	8,536	7,573	7,961	24,070
Other instruments	2,880	9,400	1,384	13,664	4,763	7,597	1,698	14,058
Subtotal	**18,998**	**37,921**	**56,058**	**112,977**	**21,155**	**41,361**	**67,999**	**130,515**
Forward currency transactions	18,571	2,015	138	20,724	22,698	1,844	152	24,694
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES - ASSETS	**37,569**	**39,936**	**56,196**	**133,701**	**43,853**	**43,205**	**68,151**	**155,209**

▶ Trading derivatives - fair value of liabilities

	31.12.2023				31.12.2022			
	Exchange-traded and over-the-counter transactions				Exchange-traded and over-the-counter transactions			
In millions of euros	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value
Interest rate instruments	5,157	24,531	51,318	81,006	9,154	30,337	63,273	102,764
Currency instruments and gold	5,650	7,899	5,466	19,015	5,883	7,788	6,918	20,589
Other instruments	2,612	2,016	662	5,290	2,155	2,176	1,563	5,894
Subtotal	**13,419**	**34,446**	**57,446**	**105,311**	**17,192**	**40,301**	**71,754**	**129,247**
Forward currency transactions	19,445	2,014	404	21,863	23,149	2,781	371	26,301
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES - LIABILITIES	**32,864**	**36,460**	**57,850**	**127,174**	**40,341**	**43,082**	**72,125**	**155,548**

3.3.2 DERIVATIVE TRANSACTIONS: AMOUNT OF COMMITMENTS

In millions of euros	31.12.2023	31.12.2022
Interest rate instruments	17,949,083	17,399,641
Currency instruments and gold	682,600	592,449
Other instruments	170,460	158,574
Subtotal	**18,802,143**	**18,150,664**
Forward currency transactions	2,924,228	2,761,351
TOTAL NOTIONAL AMOUNTS	**21,726,371**	**20,912,015**

3.3.3 CURRENCY RISK

(See “Risks and Pillar 3 - Risk Management” chapter).

3.4 Liquidity and financing risk

(See "Risks and Pillar 3 - Risk Management" chapter).

3.4.1 LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS AND CUSTOMERS BY RESIDUAL MATURITY

	31.12.2023					
In millions of euros	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Loans and receivables due from credit institutions (including Crédit Agricole internal transactions)	27,600	27,263	2,624	1,265	2	**58,754**
Loans and receivables due from customers (of which finance leases)	64,506	21,474	69,470	19,724	-	**175,174**
Total	**92,106**	**48,737**	**72,094**	**20,989**	**2**	**233,928**
Impairment						**(2,946)**
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS AND FROM CUSTOMERS						**230,982**

	31.12.2022					
In millions of euros	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Loans and receivables due from credit institutions (including Crédit Agricole internal transactions)	13,671	43,479	1,645	2,106	2	**60,903**
Loans and receivables due from customers (of which finance leases)	71,096	21,859	69,399	19,817	-	**182,171**
Total	**84,767**	**65,338**	**71,044**	**21,923**	**2**	**243,074**
Impairment						**(3,394)**
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS AND FROM CUSTOMERS						**239,680**

3.4.2 DUE TO CREDIT INSTITUTIONS AND CUSTOMERS BY RESIDUAL MATURITY

	31.12.2023					
In millions of euros	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Due to credit institutions (including Crédit Agricole internal transactions)	29,410	8,081	26,995	2,879	-	**67,365**
Due to customers	166,627	16,255	284	166	-	**183,332**
TOTAL AMOUNT DUE TO CREDIT INSTITUTIONS AND TO CUSTOMERS	**196,037**	**24,336**	**27,279**	**3,045**	**-**	**250,697**

	31.12.2022					
In millions of euros	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Due to credit institutions (including Crédit Agricole internal transactions)	21,410	13,895	40,228	4,248	-	**79,781**
Due to customers	173,718	12,613	202	318	-	**186,851**
TOTAL AMOUNT DUE TO CREDIT INSTITUTIONS AND TO CUSTOMERS	**195,128**	**26,508**	**40,430**	**4,566**	**-**	**266,632**

3.4.3 DEBT SECURITIES AND SUBORDINATED DEBT

	31.12.2023					
In millions of euros	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Debt securities						
Interest bearing notes	-	-	-	-	-	**-**
Interbank securities	-	-	-	-	-	**-**
Negotiable debt securities	47,018	19,915	1,171	291	-	**68,395**
Bonds	1	-	861	703	-	**1,565**
Other debt securities	-	-	-	-	-	**-**
TOTAL DEBT SECURITIES	**47,019**	**19,915**	**2,032**	**994**	**-**	**69,960**
Subordinated debt						
Dated subordinated debt	-	-	1,003	3,251	-	**4,254**
Undated subordinated debt	-	-	-	-	-	**-**
Mutual security deposits	-	-	-	-	-	**-**
Participating securities and loans	-	-	-	-	-	**-**
TOTAL SUBORDINATED DEBT	**-**	**-**	**1,003**	**3,251**	**-**	**4,254**

	31.12.2022					
In millions of euros	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Debt securities						
Interest bearing notes	-	-	-	-	-	**-**
Interbank securities	-	-	-	-	-	**-**
Negotiable debt securities	47,921	15,830	952	45	-	**64,748**
Bonds	-	1,052	1,844	745	-	**3,641**
Other debt securities	-	-	-	-	-	**-**
TOTAL DEBT SECURITIES	**47,921**	**16,882**	**2,796**	**790**	**-**	**68,389**
Subordinated debt						
Dated subordinated debt	-	-	751	3,542	-	**4,293**
Undated subordinated debt	-	-	-	-	-	**-**
Mutual security deposits	-	-	-	-	-	**-**
Participating securities and loans	-	-	-	-	-	**-**
TOTAL SUBORDINATED DEBT	**-**	**-**	**751**	**3,542**	**-**	**4,293**

3.4.4 AT-RISK FINANCIAL GUARANTEES GIVEN BY EXPECTED MATURITY

The amounts presented are the amount of at-risk financial guarantees expected to be called up, i.e. guarantees that have been impaired or are on a watch-list.

	31.12.2023					
In millions of euros	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Financial guarantees given	3	119	28	4	-	**154**

	31.12.2022					
In millions of euros	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Financial guarantees given	2	74	27	4	-	**107**

The contractual maturities of derivative instruments are presented in Note 3.3 “Market risk”.

3.5 Hedge accounting

(See Note 3.3 “Market risk” and “Risks and Pillar 3 - Risk Management” Chapter).

3.5.1 FAIR VALUE HEDGES

Fair value hedges modify the risk caused by changes in the fair value of a fixed-rate financial instrument as a result of changes in interest rates. These hedges transform fixed-rate assets or liabilities into floating-rate items.

Fair value-hedged items mainly include fixed-rate loans, securities, deposits and subordinated debt.

3.5.2 CASH FLOW HEDGES

Cash flow hedges modify the risk inherent in the cash flow variability associated with floating-rate instruments.

Cash flow hedged items mainly consist of floating-rate loans and deposits.

3.5.3 NET INVESTMENT HEDGES IN A FOREIGN OPERATION

Net investment hedges in a foreign operation modify the risk inherent in exchange rate fluctuations associated with foreign-currency equity investments in subsidiaries.

3.5.4 HEDGING DERIVATIVES

	31.12.2023			31.12.2022		
	Market value		Notional amount	Market value		Notional amount
In millions of euros	Positive	Negative		Positive	Negative	
Fair value hedges	1,723	1,467	107,571	2,164	1,572	102,412
Cash flow hedges	482	2,440	73,463	330	3,495	58,671
Hedges of net investments in foreign operations	66	86	5,290	117	74	5,320
TOTAL HEDGING DERIVATIVE INSTRUMENTS	**2,271**	**3,993**	**186,324**	**2,611**	**5,141**	**166,403**

In accordance with our Accounting Principles and Methods for hedging the fair value of a portfolio of interest rate items or a portfolio of financial assets or liabilities, the Group applies IAS 39 as adopted by the European Union (carve-out version). The provisions of the standard make it possible, in particular, to include demand deposits with low or no interest rate in this hedging relationship.

Crédit Agricole CIB did not observe any significant downgrade in the 2023 financial year due to this rising interest rate market environment.

3.5.5 HEDGING DERIVATIVES: ANALYSIS BY RESIDUAL MATURITY (NOTIONALS)

The breakdown of notional values of derivative instruments is shown by remaining contractual maturity.

	31.12.2023			
	Exchange-traded transactions and over the counter transactions			
In millions of euros	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total notional
Interest rate instruments	107,167	11,128	1,358	119,653
Currency instruments	6,586	901	-	7,487
Other instruments	202	-	-	202
Subtotal	**113,955**	**12,029**	**1,358**	**127,342**
Forward currency transactions	58,975	7	-	58,982
TOTAL NOTIONAL OF HEDGING DERIVATIVES	**172,930**	**12,036**	**1,358**	**186,324**

	31.12.2022			
	Exchange-traded transactions and over the counter transactions			
In millions of euros	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total notional
Interest rate instruments	96,746	9,085	1,377	107,208
Currency instruments	7,547	1,130	-	8,677
Other instruments	108	-	-	108
Subtotal	**104,401**	**10,215**	**1,377**	**115,993**
Forward currency transactions	50,364	46	-	50,410
TOTAL NOTIONAL OF HEDGING DERIVATIVES	**154,765**	**10,261**	**1,377**	**166,403**

Note 3.3 “Market risk - Derivative instruments: Analysis by remaining maturity” presents the breakdown of market values of hedging derivatives by remaining contractual maturity.

3.5.6 FAIR VALUE HEDGES

▶ **Hedging derivative instruments**

	31.12.2023				31.12.2022			
	Carrying amount		Changes in fair value during the period (of which end of hedges during the period)	Notional Amount	Carrying amount		Changes in fair value during the period (of which end of hedges during the period)	Notional Amount
In millions of euros	Assets	Liabilities			Assets	Liabilities		
Fair value hedges								
Organised markets and over the counter markets	**1,699**	**1,241**	**(603)**	**103,057**	**2,161**	**1,162**	**1,144**	**96,724**
Interest rate	1,605	892	(778)	86,300	2,091	655	1,752	76,754
Foreign exchange	94	349	175	16,757	70	507	(608)	19,970
Other	-	-	-	-	-	-	-	-
Total Fair value micro-hedging	**1,699**	**1,241**	**(603)**	**103,057**	**2,161**	**1,162**	**1,144**	**96,724**
Fair value hedges of the interest rate exposure of a portfolio of financial instruments	24	226	183	4,514	3	410	(369)	5,688
TOTAL FAIR VALUE HEDGES	**1,723**	**1,467**	**(420)**	**107,571**	**2,164**	**1,572**	**775**	**102,412**

Changes in the fair value of hedging derivatives are recorded under “Net gains (losses) on financial instruments at fair value through profit or loss” in the income statement.

Hedged items

Micro-hedging

	31.12.2023				31.12.2022			
	Present hedges		Ended hedges		Present hedges		Ended hedges	
In millions of euros	Carrying amount	of which accumulated fair value hedge adjustments	Accumulated fair value hedge adjustments to be adjusted for hedging remaining to be amortised	Fair value hedge adjustments during the period (including termination of hedges during the period)	Carrying amount	of which accumulated fair value hedge adjustments	Accumulated fair value hedge adjustments to be adjusted for hedging remaining to be amortised	Fair value hedge adjustments during the period (including termination of hedges during the period)
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	**8,974**	**(145)**	**-**	**301**	**9,605**	**(118)**	**-**	**(439)**
Interest rate	8,974	(145)	-	301	9,605	(118)	-	(439)
Foreign exchange	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Debt instruments at amortised cost	**59,480**	**(832)**	**-**	**737**	**53,503**	**(1,526)**	**-**	**(1,850)**
Interest rate	53,209	(799)	-	681	49,837	(1,522)	-	(1,873)
Foreign exchange	6,271	(33)	-	56	3,666	(4)	-	23
Other	-	-	-	-	-	-	-	-
Total fair value hedges on assets items	**68,454**	**(977)**	**-**	**1,038**	**63,108**	**(1,644)**	**-**	**(2,289)**
Debt instruments at amortised cost	**31,105**	**(435)**	**-**	**439**	**29,640**	**(864)**	**-**	**(1,148)**
Interest rate	21,177	(296)	-	209	13,964	(505)	-	(564)
Foreign exchange	9,928	(139)	-	230	15,676	(359)	-	(584)
Other	-	-	-	-	-	-	-	-
Total fair value hedges on liabilities items	**31,105**	**(435)**	**-**	**439**	**29,640**	**(864)**	**-**	**(1,148)**

The fair value of hedged portions of micro-fair value-hedged financial instruments is recognised under the balance sheet item to which it belongs. Changes in the fair value of the hedged portions of micro-fair value-hedged financial instruments are recognised under "Net gains (losses) on financial instruments at fair value through profit or loss" in the income statement.

Macro-hedging

	31.12.2023		31.12.2022	
In millions of euros	Carrying amount	Accumulated fair value hedge adjustments to be adjusted for hedging remaining to be adjusted, on ended hedges	Carrying amount	Accumulated fair value hedge adjustments to be adjusted for hedging remaining to be adjusted, on ended hedges
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	-	-	-	-
Debt instruments at amortised cost	611	-	-	-
Total - Assets	**611**	**-**	**-**	**-**
Debt instruments at amortised cost	3,704	-	5,598	-
Total - Liabilities	**3,704**	**-**	**5,598**	**-**

The fair value hedged portions of macro-fair value-hedged financial instruments is recognised under "Revaluation adjustment on interest rate hedged portfolios" in the balance sheet. Changes in the fair value of the hedged portions of macro-fair value-hedged financial instruments are recognised under "Net gains (losses) on financial instruments at fair value through profit or loss" in the income statement.

▶ **Gains (losses) from hedge accounting**

	31.12.2023			31.12.2022		
	Net Income (Total Gains (losses) from hedge accounting)			Net Income (Total Gains (losses) from hedge accounting)		
In millions of euros	Change in fair value of hedging derivatives (including termination of hedges)	Change in fair value of hedged items (including termination of hedges)	Hedge ineffectiveness portion	Change in fair value of hedging derivatives (including termination of hedges)	Change in fair value of hedged items (including termination of hedges)	Hedge ineffectiveness portion
Interest rate	(594)	590	(4)	1,383	(1,380)	3
Foreign exchange	174	(174)	-	(608)	608	-
Other	-	-	-	-	-	-
TOTAL	**(420)**	**416**	**(4)**	**775**	**(772)**	**3**

3.5.7 CASH FLOW HEDGES AND NET INVESTMENT HEDGES OF A FOREIGN OPERATION

▶ **Hedging derivative instruments**

	31.12.2023				31.12.2022			
	Carrying amount				Carrying amount			
In millions of euros	Assets	Liabilities	Changes in fair value during the period (including termination of hedges during the period)	Notional amount		Liabilities	Changes in fair value during the period (including termination of hedges during the period)	Notional amount
Organised markets and over the counter markets	**384**	**817**	**9**	**50,048**	**310**	**1,004**	**(41)**	**33,925**
Interest rate	186	185	15	5,526	52	114	(44)	1,889
Foreign exchange	187	630	(6)	44,320	258	868	3	31,928
Other	11	2	-	202	-	22	-	108
Total Cash flow micro-hedging	**384**	**817**	**9**	**50,048**	**310**	**1,004**	**(41)**	**33,925**
Cash flow hedges of the interest rate exposure of a portfolio of financial instruments	98	1,623	992	23,312	16	2,479	(2,625)	22,877
Cash flow hedges of the foreign exchange exposure of a portfolio of financial instruments	-	-	-	103	4	13	-	1,869
Total Cash flow macro-hedging	**98**	**1,623**	**992**	**23,415**	**20**	**2,492**	**(2,625)**	**24,746**
TOTAL CASH FLOW HEDGES	**482**	**2,440**	**1,001**	**73,463**	**330**	**3,496**	**(2,666)**	**58,671**
Hedges of net investments in foreign operations	**66**	**86**	**1**	**5,290**	**117**	**74**	**(1)**	**5,320**

Changes in the fair value of hedging derivatives are taken to “Gains or losses recognised directly in other comprehensive income” with the exception of the ineffective portion of the hedge, which is recognised under “Net gains or losses on financial instruments at fair value through profit or loss” in the income statement.

▶ Impacts of hedge accounting

	31.12.2023			31.12.2022		
	Other comprehensive income on items that may be reclassified to profit and loss		Net income (Hedge accounting income or loss)	Other comprehensive income on items that may be reclassified to profit and loss		Net income (Hedge accounting income or loss)
In millions of euros	Effective portion of the hedge recognised during the period	Amount reclassified from other comprehensive income into profit or loss during the period	Hedge ineffectiveness portion	Effective portion of the hedge recognised during the period	Amount reclassified from other comprehensive income into profit or loss during the period	Hedge ineffectiveness portion
Interest rate	1,007	-	-	(2,669)	-	-
Foreign exchange	(6)	-	-	3	-	-
Other	-	-	-	-	-	-
Total Cash flow hedges	**1,001**	**-**	**-**	**(2,666)**	**-**	**-**
Hedges of net investments in foreign operations	**1**	**-**	**-**	**(1)**	**-**	**-**
TOTAL CASH FLOW HEDGES AND HEDGES OF NET INVESTMENTS IN FOREIGN OPERATIONS	**1,002**	**-**	**-**	**(2,667)**	**-**	**-**

3.6 Operational risks

(See Chapter “Risks and Pillar 3 - Risk Management”).

3.7 Capital management and regulatory ratios

The Finance Department of Crédit Agricole S.A. is tasked with matching capital requirements generated by the Group’s overall business with its financial resources in terms of liquidity and capital. It is responsible for overseeing prudential and regulatory ratios (solvency, liquidity, leverage, resolution) for the Crédit Agricole Group and Crédit Agricole S.A. To that end, it sets guidelines and oversees the consistency of the Group’s financial management.

Information on capital management and compliance with IAS 1 regulatory ratio requirements is provided in the “Risks and Pillar 3” chapter.

The Group Permanent Control and Risks Department (DRG) is responsible for the management of banking risks in Crédit Agricole CIB. This Department reports to the Deputy Chief Executive Officer in charge of Steering and Control and its brief is to ensure the management and permanent control of credit, financial and operational risks.

A description of these processes and commentary are provided in the “Risks and Pillar 3 - Risk management” chapter of the management report, as permitted under IFRS 7. The accounting breakdowns are presented in the financial statements.

NOTE 4: NOTES ON NET INCOME AND OTHER COMPREHENSIVE INCOME

4.1 Interest income and expenses

In millions of euros	31.12.2023	31.12.2022
On financial assets at amortised cost	**19,230**	**8,250**
Interbank transactions	7,336	1,988
Customer transactions	10,762	5,785
Debt securities	1,132	477
On financial assets recognised at fair value through other comprehensive income	**252**	**126**
Interbank transactions	-	-
Customer transactions	-	-
Debt securities	252	126
Accrued interest receivable on hedging instruments	**1,140**	**534**
Other interest income	**39**	**18**
INTEREST AND SIMILAR INCOME [1]	**20,661**	**8,928**
On financial liabilities at amortised cost	**(16,236)**	**(4,819)**
Interbank transactions	(4,963)	(1,356)
Customer transactions	(7,254)	(2,127)
Debt securities	(3,778)	(1,235)
Subordinated debt	(241)	(101)
Accrued interest receivable on hedging instruments	**(547)**	**(231)**
Other interest expenses	**(43)**	**(50)**
INTEREST AND SIMILAR EXPENSES	**(16,826)**	**(5,100)**

[1] *Including €122.5 million on receivables impared individually (Stage 3) at 31 December 2023 compared with €55.7 million at 31 December 2022.*

Negative interest amounts recognised as interest income for financial liabilities and as interest expenses for financial assets are not significant in 2023 (compared with €217 and €143 million in 2022, respectively).

4.2 Net income and expenses of commissions

	31.12.2023			31.12.2022		
In millions of euros	Gains	Losses	Net	Gains	Losses	Net
Interbank transactions	26	(41)	(15)	40	(38)	2
Customer transactions	714	(146)	568	735	(145)	590
Securities transactions	63	(243)	(180)	47	(130)	(83)
Foreign exchange transactions	8	(39)	(31)	27	(59)	(32)
Derivative instruments and other off-balance sheet items	349	(239)	110	223	(179)	44
Payment instruments and other banking and financial services	332	(200)	132	283	(162)	121
Mutual funds management, fiduciary and similar operations	303	(65)	238	318	(55)	263
TOTAL INCOME AND EXPENSES OF COMMISSIONS	**1,795**	**(973)**	**822**	**1,673**	**(768)**	**905**

4.3 Net gains (losses) on financial instruments at fair value through profit or loss

In millions of euros	31.12.2023	31.12.2022
Dividends received	48	134
Unrealised or realised gains (losses) on assets/liabilities held for trading	2,281	(4,326)
Unrealised or realised gains (losses) on equity instruments at fair value through profit or loss	14	17
Unrealised or realised gains (losses) on debt instruments that do not meet the conditions of the “SPPI” test	22	(36)
Unrealised or realised gains (losses) on other debt instruments measured by definition at fair value through profit or loss	-	-
Net gains (losses) on assets backing unit-linked contracts	-	-
Unrealised or realised gains (losses) on assets/liabilities designated at fair value through profit or loss [1]	(2,923)	3,452
Net gains (losses) on Foreign exchange transactions and similar financial instruments (excluding gains or losses on hedges of net investments in foreign operations)	3,223	2,674
Gains (losses) from hedge accounting	(4)	3
NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS	**2,661**	**1,918**

[1] *Excluding spread of issuer credit for liabilities recognised at fair value through profit and loss on option concerned (except as otherwise permitted by the standard to eliminate or reduce a mismatch in the income statement).*

Analysis of net gains (losses) from hedge accounting:

	31.12.2023			31.12.2022		
In millions of euros	Gains	Losses	Net	Gains	Losses	Net
Fair value hedges	**2,301**	**(2,305)**	**(4)**	**4,338**	**(4,335)**	**3**
Changes in fair value of hedged items attributable to hedged risks	1,450	(851)	599	1,597	(2,738)	(1,141)
Changes in fair value of hedging derivatives (including termination of hedges)	851	(1,454)	(603)	2,741	(1,597)	1,144
Cash flow hedges	**-**	**-**	**-**	**-**	**-**	**-**
Changes in fair value of hedging derivatives - ineffective portion	-	-	-	-	-	-
Hedges of net investments in foreign operations	**-**	**-**	**-**	**-**	**-**	**-**
Changes in fair value of hedging derivatives - ineffective portion	-	-	-	-	-	-
Fair value hedges of the interest rate exposure of a portfolio of financial instruments	**185**	**(185)**	**-**	**375**	**(375)**	**-**
Changes in fair value of hedged items	1	(184)	(183)	372	(3)	369
Changes in fair value of hedging derivatives	184	(1)	183	3	(372)	(369)
Cash flow hedges of the interest rate exposure of a portfolio of financial instruments	**-**	**-**	**-**	**-**	**-**	**-**
Changes in fair value of hedging instrument - ineffective portion	-	-	-	-	-	-
TOTAL GAINS (LOSSES) FROM HEDGE ACCOUNTING	**2,486**	**(2,490)**	**(4)**	**4,713**	**(4,710)**	**3**

The breakdown of gains (losses) from hedge accounting by type of relationship (fair value hedges, cash flow hedges, etc.) is presented in Note 3.5 “Hedge accounting”.

4.4 Net gains (losses) on financial instruments at fair value through other comprehensive income

In millions of euros	31.12.2023	31.12.2022
Net gains (losses) on debt instruments at fair value through other comprehensive income that may be reclassified subsequently to profit or loss [1]	(12)	(1)
Remuneration of equity instruments measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (dividends) [2]	11	18
NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	**(1)**	**17**

[1] *Excluding net gains or losses on the disposal on impaired debt instruments (Stage 3) mentioned in Note 4.9 "Cost of risk".*
[2] *No dividend on equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss derecognised in 2023 and in 2022.*

4.5 Net gains (losses) from the derecognition of financial assets at amortised cost

In millions of euros	31.12.2023	31.12.2022
Debt securities	-	11
Loans and receivables due from credit institutions	-	-
Loans and receivables due from customers	2	-
Gains arising from the derecognition of financial assets at amortised cost	**2**	**11**
Debt securities	(10)	(5)
Loans and receivables due from credit institutions	-	-
Loans and receivables due from customers	(8)	(5)
Losses arising from the derecognition of financial assets at amortised cost	**(18)**	**(10)**
NET GAINS (LOSSES) ARISING FROM THE DERECOGNITION OF FINANCIAL ASSETS AT AMORTISED COST [1]	**(16)**	**1**

[1] *Excluding net gains or losses from derecognition of impaired debt instruments (Stage 3) referred to in Note 4.9 "Cost of risk".*

4.6 Income (expenses) related to other activities

In millions of euros	31.12.2023	31.12.2022
Gains (losses) on fixed assets not used in operations	-	-
Change in insurance technical reserves	-	(1)
Other net income (expenses)	16	29
INCOME (EXPENSES) RELATED TO OTHER ACTIVITIES	**16**	**28**

4.7 Operating expenses

In millions of euros	31.12.2023	31.12.2022
Employee expenses	(2,749)	(2,458)
Taxes other than on income or payroll-related and regulatory contributions [1]	(372)	(427)
External services and other operating expenses	(1,011)	(973)
OPERATING EXPENSES	**(4,132)**	**(3,858)**

[1] *Including €274 million entered under the Single Resolution Fund (SRF) at 31 December 2023 against €386 million in 2022.*

The pension reform in France adopted through Act 2023-270 of 14 April 2023 (social security financing reform for 2023, published in the Official Journal of 15 April 2023) and implementing decrees 2023-435 and 2023-436 of 3 June 2023 (published in the Official Journal of 4 June 2023) were taken into account in the annual financial statements for 2023. The impact of this reform is considered as a change in plan and is recognised in past service cost as operating expenses.

At 31 December 2023, the impact of this reform was an income of €2.2 million.

STATUTORY AUDITORS' FEES

Distribution of fees by audit firm and by type of assignment in the financial statements of Crédit Agricole CIB in respect of 2023:

- College of auditors of Crédit Agricole CIB

	Ernst & Young		PricewaterhouseCoopers		
In millions of euros excluding taxes	2023	2022	2023	2022	Total 2023
Independant audit, certification, review of parent company and consolidated financial statements	**6.3**	**6.2**	**5.3**	**5.7**	**11.6**
Issuer	4.1	4.1	2.9	2.8	**7.0**
Fully consolidated subsidiaries	2.2	2.1	2.4	2.9	**4.6**
Non audit services	**1.4**	**0.8**	**1.5**	**1.4**	**2.9**
Issuer	0.8	0.5	0.6	0.5	**1.4**
Fully consolidated subsidiaries	0.6	0.3	0.9	0.9	**1.5**
TOTAL	**7.7**	**7.0**	**6.8**	**7.1**	**14.5**

Total fees paid to EY & Autres, Statutory Auditor of Crédit Agricole CIB, in the consolidated income statement for the financial year amounted to €2.3 million, o/w €2.1 million for certification of the financial statements of Crédit Agricole CIB and its subsidiaries and €0.2 million for non-audit services (letters of comfort, findings of agreed-upon procedures).

Total fees paid to PricewaterhouseCoopers Audit, Statutory Auditor of Crédit Agricole CIB, in the consolidated income statement for the financial year amounted to €2.7 million, o/w €2.4 million for certification of the financial statements of Crédit Agricole CIB and its subsidiaries and €0.3 million for non-audit services (letters of comfort, findings of agreed-upon procedures).

4.8 Depreciation, amortisation and impairment of property, plant & equipment and intangible assets

In millions of euros	31.12.2023	31.12.2022
Depreciation and amortisation	**(239)**	**(246)**
Property, plant and equipment [1]	(149)	(172)
Intangible assets	(90)	(74)
Impairment losses (reversals)	**6**	**-**
Property, plant and equipment	(1)	-
Intangible assets	7	-
DEPRECIATION, AMORTISATION AND IMPAIRMENT OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS	**(233)**	**(246)**

[1] *Of which €105 million recognised for depreciation on the right-of-use asset (IFRS 16) at 31 December 2023 compared with €125 million at 31 December 2022.*

4.9 Cost of risk

In millions of euros	31.12.2023	31.12.2022
Charges net of reversals to impairments on performing assets (Stage 1 or Stage 2) (A)	**121**	**(117)**
Stage 1: Loss allowance measured at an amount equal to 12-month expected credit loss	**1**	**(6)**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	(2)	1
Debt instruments at amortised cost	(9)	(11)
Commitments by signature	12	4
Stage 2: Loss allowance measured at an amount equal to lifetime expected credit loss	**120**	**(111)**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	-	-
Debt instruments at amortised cost	134	(197)
Commitments by signature	(14)	86
Charges net of reversals to impairments on credit-impaired assets (Stage 3) (B)	**(205)**	**(251)**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	-	-
Debt instruments at amortised cost	(161)	(257)
Commitments by signature	(44)	6
Other assets (C)	**(1)**	**(2)**
Risks and expenses (D)	**(23)**	**83**
Charges net of reversals to impairment losses and provisions (E) = (A) + (B) + (C) + (D)	**(108)**	**(287)**
Realised gains (losses) on disposal of impaired debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	-	-
Realised gains (losses) on impaired debt instruments at amortised cost	-	-
Losses on non-impaired loans and bad debt	(34)	(43)
Recoveries on loans and receivables written off	32	77
recognised at amortised cost	32	77
recognised in other comprehensive income that may be reclassified to profit or loss	-	-
Discounts on restructured loans	(16)	-
Losses on commitments by signature	-	-
Other losses	(21)	(5)
Other gains	26	5
COST OF RISK	**(121)**	**(253)**

4.10 Net gains/losses on other assets

In millions of euros	31.12.2023	31.12.2022
Property, plant & equipment and intangible assets used in operations	**(5)**	**(4)**
Gains on disposals	1	4
Losses on disposals	(6)	(8)
Gains or losses on disposals of consolidated equity investments	**-**	**(3)**
Gains on disposals	-	-
Losses on disposals	-	(3)
Net income (expense) on combinations	**-**	**-**
NET GAINS (LOSSES) ON OTHER ASSETS	**(5)**	**(7)**

4.11 Income tax charge

4.11.1 TAX EXPENSE

In millions of euros	31.12.2023	31.12.2022
Current tax charge	(563)	(563)
Deferred tax charge	(8)	73
TOTAL TAX CHARGE	**(571)**	**(490)**

4.11.2 RECONCILIATION OF THE THEORETICAL TAX RATE WITH THE RECORDED TAX RATE

▶ **At 31 December 2023**

In millions of euros	Base	Tax rate	Tax
Pre-tax income, goodwill impairment, discontinued operations and share of net income of equity-accounted entities	2,826	25.83%	(730)
Impact of permanent differences		(4.26)%	120
Impact of different tax rates on foreign subsidiaries		0.85%	(24)
Impact of losses for the year, utilisation of tax loss carryforwards and temporary differences		0.94%	(27)
Impact of reduced tax rate		(0.25)%	7
Impact of tax rate change		0.01%	-
Impact of other items		(2.92)%	83
EFFECTIVE TAX RATE AND TAX CHARGE		**20.20%**	**(571)**

The theoretical tax rate is the tax rate under ordinary law (including the additional social contribution) of taxable profits in France at 31 December 2023.

▶ **At 31 December 2022**

In millions of euros	Base	Tax rate	Tax
Pre-tax income, goodwill impairment, discontinued operations and share of net income of equity-accounted entities	2,333	25.83%	(603)
Impact of permanent differences		(1.58)%	37
Impact of different tax rates on foreign subsidiaries		(0.21)%	5
Impact of losses for the year, utilisation of tax loss carryforwards and temporary differences		0.02%	(1)
Impact of reduced tax rate		(0.29)%	7
Impact of tax rate change		0.86%	(20)
Impact of other items		(3.64)%	85
EFFECTIVE TAX RATE AND TAX CHARGE		**20.99%**	**(490)**

The theoretical tax rate is the tax rate under ordinary law (including the additional social contribution) of taxable profits in France at 31 December 2022.

4.12 Changes in other comprehensive income

The income and expenses recorded during the period are presented in detail below.

BREAKDOWN OF OTHER COMPREHENSIVE INCOME

In millions of euros	31.12.2023	31.12.2022
Other comprehensive income on items that may be reclassified subsequently to profit or loss net of income tax		
Gains and losses on translation adjustments	**(218)**	**292**
Revaluation adjustment of the period	-	-
Reclassified to profit or loss	-	-
Other variations	(218)	292
Other comprehensive income on debt instruments that may be reclassified to profit or loss	**(25)**	**(34)**
Revaluation adjustment of the period	(40)	(35)
Reclassified to profit or loss	15	1
Other variations	-	-
Gains and losses on hedging derivative instruments	**1,001**	**(2,666)**
Revaluation adjustment of the period	1,001	(2,666)
Reclassified to profit or loss	-	-
Other variations	-	-
Pre-tax other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities	**-**	**-**
Income tax related to items that may be reclassified to profit or loss excluding equity-accounted entities	**(252)**	**696**
Income tax related to items that may be reclassified to profit or loss on equity-accounted entities	**-**	**-**
Other comprehensive income on items that may be reclassified to profit or loss from discontinued operations	**-**	**4**
Other comprehensive income on items that may be reclassified subsequently to profit or loss net of income tax	**506**	**(1,708)**
Other comprehensive income on items that will not be reclassified subsequently to profit or loss net of income tax		
Actuarial gains and losses on post-employment benefits	**(69)**	**145**
Other comprehensive income on financial liabilities attributable to changes in own credit risk	**(283)**	**781**
Revaluation adjustment of the period	(279)	776
Reclassified to reserves	(4)	5
Other variations	-	-
Other comprehensive income on equity instruments that will not be reclassified to profit or loss	**(16)**	**(30)**
Revaluation adjustment of the period	(25)	(35)
Reclassified to reserves	8	13
Other variations	1	(8)
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	**-**	**-**
Income tax related to items that will not be reclassified to profit or loss excluding equity-accounted entities	**78**	**(234)**
Income tax related to items that will not be reclassified to profit or loss on equity-accounted entities	**-**	**-**
Other comprehensive income on items that will not be reclassified to profit or loss from discontinued operations	**-**	**-**
Other comprehensive income on items that will not be reclassified subsequently to profit or loss net of income tax	**(290)**	**662**
OTHER COMPREHENSIVE INCOME NET OF INCOME TAX	**216**	**(1,046)**
Of which Group share	218	(1,048)
Of which non-controlling interests	(2)	2

NOTE 5: SEGMENT REPORTING

DEFINITION OF OPERATING SEGMENTS

Crédit Agricole CIB's business lines are defined in accordance with the definitions applied within Crédit Agricole S.A.

PRESENTATION OF THE DIVISIONS

The portfolio of activities breaks down into four divisions:

- Corporate banking includes the commercial banking business lines in France and abroad (International Trade & Transaction Banking and loan origination, structuring and arrangement activities) and structured finance activities, namely project finance, aircraft finance, shipping finance, acquisition finance and real estate finance;
- Capital Markets and Investment Banking combines capital-market activities (treasury management, foreign exchange, interest-rate derivatives, debt and treasury markets) with investment banking (mergers and acquisitions and primary equity advisory);

These two business lines make up almost the whole of Crédit Agricole S.A.'s Corporate and Investment Banking business (CIB) within the Major Clients Division of Crédit Agricole S.A.

- Wealth Management, a segment in which Crédit Agricole CIB is also active, through its subsidiary Crédit Agricole Indosuez and its operations in France, Belgium, Switzerland, Luxembourg, Monaco, Spain, Italy and, more recently, Asia, in Singapore and Hong Kong. This activity is presented within the Savings Management division of Crédit Agricole S.A.;
- The Corporate Centre activities consist of the various impacts not attributable to the other divisions.

5.1 Segment reporting by operating segment

Transactions between operating segments are carried out at arm's length.

Segment assets are determined based on the items on each operating segment's balance sheet.

	31.12.2023					
In millions of euros	Financing activities	Capital markets and Investment banking	Total Corporate and Investment Banking	Wealth Management	Corporate Center	CACIB
Revenues	**3,271**	**3,023**	**6,294**	**1,023**	**-**	**7,317**
Operating expenses	(1,484)	(2,061)	(3,545)	(812)	(8)	(4,365)
Gross operating income	**1,787**	**962**	**2,749**	**211**	**(8)**	**2,952**
Cost of risk	(129)	12	(117)	(4)	-	(121)
Operating income	**1,658**	**974**	**2,632**	**207**	**(8)**	**2,831**
Share of net income (loss) of equity-accounted entities	1	-	1	-	-	1
Net gains (losses) on other assets	-	-	-	(5)	-	(5)
Change in value of goodwill	-	-	-	-	-	-
Pre-tax income	**1,659**	**974**	**2,633**	**202**	**(8)**	**2,827**
Income tax charge	(339)	(308)	(647)	(43)	119	(571)
Net income from discontinued operations	-	-	-	1	-	1
Net income	**1,320**	**666**	**1,986**	**160**	**111**	**2,257**
Non-controlling interests	(2)	1	(1)	17	-	16
NET INCOME GROUP SHARE	**1,322**	**665**	**1,987**	**143**	**111**	**2,241**

	31.12.2023					
In millions of euros	Financing activities	Capital markets and Investment banking	Total Corporate and Investment Banking	Wealth Management	Corporate Center	CACIB
Segment assets						
of which investments in equity-accounted entities	-	-	-	-	-	-
of which goodwill	-	-	485	629	-	1,114
TOTAL ASSETS	**-**	**-**	**742,584**	**14,783**	**-**	**757,367**

	31.12.2022					
In millions of euros	Financing activities	Capital markets and Investment banking	Total Corporate and Investment Banking	Wealth Management	Corporate Center	CACIB
Revenues	**3,126**	**2,640**	**5,766**	**929**	**2**	**6,697**
Operating expenses	(1,359)	(1,973)	(3,332)	(759)	(13)	(4,104)
Gross operating income	**1,767**	**667**	**2,434**	**170**	**(11)**	**2,593**
Cost of risk	(313)	64	(249)	(4)	-	(253)
Operating income	**1,454**	**731**	**2,185**	**166**	**(11)**	**2,340**
Share of net income (loss) of equity-accounted entities	-	-	-	-	-	-
Net gains (losses) on other assets	-	-	-	(7)	-	(7)
Change in value of goodwill	-	-	-	-	-	-
Pre-tax income	**1,454**	**731**	**2,185**	**159**	**(11)**	**2,333**
Income tax charge	(362)	(178)	(540)	(26)	76	(490)
Net income from discontinued operations	-	-	-	4	-	4
Net income	**1,092**	**553**	**1,645**	**137**	**65**	**1,847**
Non-controlling interests	(1)	-	(1)	10	-	9
NET INCOME GROUP SHARE	**1,093**	**553**	**1,646**	**127**	**65**	**1,838**

	31.12.2022					
In millions of euros	Financing activities	Capital markets and Investment banking	Total Corporate and Investment Banking	Wealth Management	Corporate Center	CACIB
Segment assets						
of which investments in equity-accounted entities	-	-	-	-	-	-
of which goodwill	-	-	485	601	-	1,086
TOTAL ASSETS	**-**	**-**	**712,434**	**15,768**	**-**	**728,202**

5.2 Segment reporting by geographic area

The geographic breakdown of segment assets and results is based on the place of accounting recognition of the activities in question.

	31.12.2023				31.12.2022			
In millions of euros	Net income Group Share	Of which Revenues	Segment assets	Of which goodwill	Net income Group Share	Of which Revenues	Segment assets	Of which goodwill
France (including overseas departments and territories)	430	2,623	513,116	474	560	2,620	526,491	474
Other European Union countries	278	874	22,906	142	389	838	23,928	142
Other European countries	426	1,347	28,777	487	145	1,230	30,526	459
North America	547	1,211	75,892	-	406	913	71,116	-
Central and South America	60	111	1,336	-	(61)	(16)	1,508	-
Africa and Middle East	6	49	1,646	-	15	46	2,763	-
Asia-Pacific (excluding Japan)	358	844	36,873	11	285	873	34,091	11
Japan	136	258	76,821	-	99	193	37,779	-
TOTAL	**2,241**	**7,317**	**757,367**	**1,114**	**1,838**	**6,697**	**728,202**	**1,086**

NOTE 6: NOTES TO THE BALANCE SHEET

6.1 Cash, central banks

In millions of euros	31.12.2023 Assets	31.12.2023 Liabilities	31.12.2022 Assets	31.12.2022 Liabilities
Cash	6	-	6	-
Central banks	77,169	27	78,705	33
CARRYING AMOUNT	**77,175**	**27**	**78,711**	**33**

6.2 Financial assets and liabilities at fair value through profit or loss

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

In millions of euros	31.12.2023	31.12.2022
Financial assets held for trading	349,401	295,043
Other financial instruments at fair value through profit or loss	309	449
Equity instruments	275	264
Debt instruments that do not meet the conditions of the "SPPI" test [1]	34	185
Other debt instruments measured by definition at fair value through profit or loss	-	-
Assets backing unit-linked contracts	-	-
Financial assets designated at fair value through profit or loss	-	-
CARRYING AMOUNT	**349,710**	**295,492**
Of which lent securities	7	3

[1] Of which €18 million in UCITS as of 31 December 2023 against €10 million as of 31 December 2022.

FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

In millions of euros	31.12.2023	31.12.2022
Held for trading financial liabilities	295,606	274,534
Financial liabilities designated at fair value through profit or loss	54,881	28,782
CARRYING AMOUNT	**350,487**	**303,316**

Detailed information about held-for-trading derivatives can be found in Note 3.3 on market risk and particularly information about interest rates.

FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

▶ **Financial liabilities for which changes in the issuer spread are recognised through other comprehensive income that cannot be reclassified to profit or loss**

In millions of euros	31.12.2023 Carrying amount	Difference between carrying amount and amount contractually required to pay at maturity	Accumulated amount of change in fair value attributable to changes in own credit risk	Amount of change in fair value during the period attributable to changes in own credit risk	Amount realised at derecognition[1]
Deposits and subordinated liabilities	**9,952**	**(3,093)**	**(128)**	**279**	**4**
Debt securities	**41,652**				
Other financial liabilities	**-**	**-**	**-**	**-**	**-**
TOTAL	**51,604**	**(3,093)**	**(128)**	**279**	**4**

[1] Gains and losses on derecognition are transferred to consolidated reserves at the date of derecognition of the instrument in question.

In millions of euros	31.12.2022 Carrying amount	Difference between carrying amount and amount contractually required to pay at maturity	Accumulated amount of change in fair value attributable to changes in own credit risk	Amount of change in fair value during the period attributable to changes in own credit risk	Amount realised at derecognition[1]
Deposits and subordinated liabilities	**4,403**	**(4,430)**	**(411)**	**(776)**	**(5)**
Debt securities	**24,312**				
Other financial liabilities	**-**	**-**	**-**	**-**	**-**
TOTAL	**28,715**	**(4,430)**	**(411)**	**(776)**	**(5)**

[1] Gains and losses on derecognition are transferred to consolidated reserves at the date of derecognition of the instrument in question.

In line with IFRS 9, Crédit Agricole CIB calculates changes in fair value attributable to changes in own credit risk using a methodology that allows these changes to be separated from changes in value attributable to changes in market conditions.

BASIS FOR CALCULATING OWN CREDIT RISK

The source taken into account when calculating own credit risk may vary from one issuer to another. At Crédit Agricole CIB, it takes the form of the change in its market refinancing cost according to the type of issue.

CALCULATION OF UNREALISED GAINS/LOSSES DUE TO OWN CREDIT RISK (RECOGNISED IN OTHER COMPREHENSIVE INCOME)

Crédit Agricole CIB's preferred approach is based on the liquidity component of issues. It involves replicating all of the issues through a basket of vanilla loans/borrowings. The changes in fair value attributable to changes in own credit risk for all the issues is the same as for the loans/borrowings. They are equal to the changes in the fair value of the loan/borrowing portfolio caused by changes in the cost of refinancing.

CALCULATION OF REALISED GAINS/LOSSES DUE TO OWN CREDIT RISK (RECOGNISED IN CONSOLIDATED RESERVES)

Crédit Agricole CIB has opted to transfer the change in fair value attributable to changes in own credit risk on settlement to consolidated reserves. A sensitivity-based calculation is carried out in the event of a complete or partial early redemption. This consists of measuring the change in fair value attributable to changes in own credit risk for a given issue as the sum of the credit spread sensitivities multiplied by the change in this spread between the issue date and the redemption date.

▶ Financial liabilities for which changes in the issuer spread are recognised through profit or loss

	31.12.2023			
In millions of euros	Carrying amount	Difference between carrying amount and due on maturity	Accumulated amount of change in fair value attributable to changes in own credit risk	Amount of change in fair value during the period attributable to changes in own credit risk
Deposits and subordinated liabilities	**3,277**	**(25)**	**-**	**-**
Debt securities	**-**	**-**	**-**	**-**
Other financial liabilities	**-**	**-**	**-**	**-**
TOTAL	**3,277**	**(25)**	**-**	**-**

	31.12.2022			
In millions of euros	Carrying amount	Difference between carrying amount and due on maturity	Accumulated amount of change in fair value attributable to changes in own credit risk	Amount of change in fair value during the period attributable to changes in own credit risk
Deposits and subordinated liabilities	**67**	**-**	**-**	**-**
Debt securities	**-**	**-**	**-**	**-**
Other financial liabilities	**-**	**-**	**-**	**-**
TOTAL	**67**	**-**	**-**	**-**

6.3 Hedging derivative instruments

Detailed information is provided in Note 3.5 "Hedging accounting".

6.4 Financial asset at fair value through other comprehensive income

	31.12.2023			31.12.2022		
In millions of euros	Carrying amount	Unrealised gains	Unrealised losses	Carrying amount	Unrealised gains	Unrealised losses
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	10,195	15	(26)	10,436	28	(14)
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	363	45	(109)	336	42	(90)
TOTAL	**10,558**	**60**	**(135)**	**10,772**	**70**	**(104)**

DEBT INSTRUMENTS RECOGNISED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT CAN BE RECLASSIFIED TO PROFIT OR LOSS

	31.12.2023			31.12.2022		
In millions of euros	Carrying amount	Unrealised gains	Unrealised losses	Carrying amount	Unrealised gains	Unrealised losses
Treasury bills and similar securities	2,211	5	-	1,760	7	-
Bonds and other fixed income securities	7,984	10	(26)	8,676	21	(14)
Total Debt securities	**10,195**	**15**	**(26)**	**10,436**	**28**	**(14)**
Total Loans and receivables	**-**	**-**	**-**	**-**	**-**	**-**
Total Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	**10,195**	**15**	**(26)**	**10,436**	**28**	**(14)**
Income tax charge		(4)	6		(7)	3
OTHER COMPREHENSIVE INCOME ON DEBT INSTRUMENTS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**11**	**(20)**		**21**	**(11)**

EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS

▶ Other comprehensive income on equity instruments that cannot be reclassified to profit or loss

	31.12.2023			31.12.2022		
In millions of euros	Carrying amount	Unrealised gains	Unrealised losses	Carrying amount	Unrealised gains	Unrealised losses
Equities and other variable income securities	35	12	(11)	36	13	(11)
Non-consolidated equity investments	328	33	(98)	300	29	(79)
Total equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	**363**	**45**	**(109)**	**336**	**42**	**(90)**
Income tax charge		(4)	3		(4)	3
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**41**	**(106)**		**38**	**(87)**

▶ Equity instruments derecognised during the period

	31.12.2023			31.12.2022		
In millions of euros	Fair value at the date of derecognition	Cumulative gains realised[1]	Cumulative losses realised[1]	Fair value at the date of derecognition	Cumulative gains realised[1]	Cumulative losses realised[1]
Equities and other variable income securities	-	-	-	3	2	(9)
Non-consolidated equity investments	4	-	(8)	1	-	(7)
Total Investments in equity instruments	**4**	**-**	**(8)**	**4**	**2**	**(16)**
Income tax charge		-	-		-	-
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**-**	**(8)**		**2**	**(16)**

[1] Realised gains and losses are transferred to consolidated reserves at the moment of the derecognition of the instrument concerned.

6.5 Financial assets at amortised cost

In millions of euros	31.12.2023	31.12.2022
Loans and receivables due from credit institutions	58,358	60,494
Loans and receivables due from customers	172,624	179,186
Debt securities	34,428	34,716
CARRYING AMOUNT	**265,410**	**274,396**

LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS

In millions of euros	31.12.2023	31.12.2022
Credit institutions		
Loans and receivables	54,813	52,234
of which non doubtful current accounts in debit [1]	6,595	5,304
of which non doubtful overnight accounts and advances [1]	1,694	1,773
Pledged securities	-	-
Securities bought under repurchase agreements	3,941	8,667
Subordinated loans	-	2
Other loans and receivables	-	-
Gross amount	**58,754**	**60,903**
Impairment	(396)	(409)
CARRYING AMOUNT	**58,358**	**60,494**

[1] *These transactions are partly comprised of "Net demand loans and deposits with credit institutions" in the Cash Flow Statement.*

LOANS AND RECEIVABLES DUE FROM CUSTOMERS

In millions of euros	31.12.2023	31.12.2022
Loans and receivables due from customers		
Trade receivables	29,380	30,616
Other customer loans	140,824	144,867
Pledged securities	-	-
Securities bought under repurchase agreements	752	1,373
Subordinated loans	34	46
Insurance receivables	-	-
Reinsurance receivables	-	-
Advances in associates' current accounts	10	10
Current accounts in debit	4,174	5,259
Gross amount	**175,174**	**182,171**
Impairment	(2,550)	(2,985)
Net value of loans and receivables due from customers	**172,624**	**179,186**
Finance leases		
Property leasing	-	-
Equipment leases, operating leases and similar transactions	-	-
Gross amount	**-**	**-**
Impairment	-	-
Net value of lease financing operations	**-**	**-**
CARRYING AMOUNT	**172,624**	**179,186**

DEBT SECURITIES

In millions of euros	31.12.2023	31.12.2022
Treasury bills and similar securities	7,085	7,188
Bonds and other fixed income securities	27,376	27,557
Total	**34,461**	**34,745**
Impairment	(33)	(29)
CARRYING AMOUNT	**34,428**	**34,716**

6.6 Transferred assets not derecognised or derecognised with continuing involvement

TRANSFERRED ASSETS NOT FULLY DERECOGNISED AT 31 DECEMBER 2023

	Transferred assets but still fully recognised										
	Transferred assets					Associated liabilities					Assets and associated liabilities
In millions of euros	Carrying amount	of which securitisation (non-deconsolidating)	of which securities sold/bought under repurchase agreements	of which other	Fair value	Carrying amount	of which securitisation (non-deconsolidating)	of which securities sold/bought under repurchase agreements	of which other	Fair value	Net fair value
Financial assets held for trading	**30,808**	**-**	**30,808**	**-**	**30,808**	**30,236**	**-**	**30,236**	**-**	**30,236**	**572**
Equity instruments	2,636	-	2,636	-	2,636	2,512	-	2,512	-	2,512	124
Debt securities	28,172	-	28,172	-	28,172	27,724	-	27,724	-	27,724	448
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-
Other financial instruments at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Equity instruments	-	-	-	-	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	**1,064**	**-**	**1,064**	**-**	**1,064**	**1,050**	**-**	**1,050**	**-**	**1,050**	**14**
Equity instruments	-	-	-	-	-	-	-	-	-	-	-
Debt securities	1,064	-	1,064	-	1,064	1,050	-	1,050	-	1,050	14
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-
Financial assets at amortised cost	**1,229**	**-**	**1,229**	**-**	**1,229**	**1,174**	**-**	**1,174**	**-**	**1,174**	**55**
Debt securities	1,229	-	1,229	-	1,229	1,174	-	1,174	-	1,174	55
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-
Total Financial assets	**33,101**	**-**	**33,101**	**-**	**33,101**	**32,460**	**-**	**32,460**	**-**	**32,460**	**641**
Finance leases	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL TRANSFERRED ASSETS	**33,101**	**-**	**33,101**	**-**	**33,101**	**32,460**	**-**	**32,460**	**-**	**32,460**	**641**

TRANSFERRED ASSETS NOT FULLY DERECOGNISED AT 31 DECEMBER 2022

	Transferred assets but still fully recognised										
	Transferred assets					Associated liabilities					Assets and associated liabilities
In millions of euros	Carrying amount	of which securitisation (non-deconsolidating)	of which securities sold/bought under repurchase agreements	of which other	Fair value	Carrying amount	of which securitisation (non-deconsolidating)	of which securities sold/bought under repurchase agreements	of which other	Fair value	Net fair value
Financial assets held for trading	**14,501**	**-**	**14,501**	**-**	**14,501**	**14,497**	**-**	**14,497**	**-**	**14,497**	**4**
Equity instruments	151	-	151	-	151	151	-	151	-	151	-
Debt securities	14,350	-	14,350	-	14,350	14,346	-	14,346	-	14,346	4
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-
Other financial instruments at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Equity instruments	-	-	-	-	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	**449**	**-**	**449**	**-**	**449**	**449**	**-**	**449**	**-**	**449**	**-**
Equity instruments	-	-	-	-	-	-	-	-	-	-	-
Debt securities	449	-	449	-	449	449	-	449	-	449	-
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-
Financial assets at amortised cost	**1,777**	**-**	**1,777**	**-**	**1,777**	**1,662**	**-**	**1,662**	**-**	**1,662**	**115**
Debt securities	1,777	-	1,777	-	1,777	1,662	-	1,662	-	1,662	115
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-
Total Financial assets	**16,727**	**-**	**16,727**	**-**	**16,727**	**16,608**	**-**	**16,608**	**-**	**16,608**	**119**
Finance leases	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL TRANSFERRED ASSETS	**16,727**	**-**	**16,727**	**-**	**16,727**	**16,608**	**-**	**16,608**	**-**	**16,608**	**119**

For the financial year, Crédit Agricole CIB did not record any commitments incurred relating to the transferred assets derecognised in full.

6.7 Financial liabilities at amortised cost

In millions of euros	31.12.2023	31.12.2022
Due to credit institutions	67,365	79,781
Due to customers	183,332	186,851
Debt securities	69,960	68,389
CARRYING AMOUNT	**320,657**	**335,021**

DUE TO CREDIT INSTITUTIONS

In millions of euros	31.12.2023	31.12.2022
Accounts and borrowings	64,332	79,311
of which current accounts in credit [1]	11,506	12,538
of which overnight accounts and deposits [1]	4,452	377
Securities sold under repurchase agreements	3,033	470
CARRYING AMOUNT	**67,365**	**79,781**

[1] These transactions are partly comprised of the item "Net demand loans and deposits with credit institutions" on the Cash Flow Statement.

DUE TO CUSTOMERS

In millions of euros	31.12.2023	31.12.2022
Current accounts in credit	57,043	69,275
Special savings accounts	79	111
Other amounts due to customers	125,191	116,990
Securities sold under repurchase agreements	1,019	475
CARRYING AMOUNT	**183,332**	**186,851**

DEBT SECURITIES

In millions of euros	31.12.2023	31.12.2022
Interest bearing notes	-	-
Interbank securities	-	-
Negotiable debt securities	68,395	64,748
Bonds	1,565	3,641
Other debt securities	-	-
CARRYING AMOUNT	**69,960**	**68,389**

SENIOR NON-PREFERRED DEBT ISSUES

With the law on transparency, fighting corruption and the modernisation of the economy (otherwise referred to as the "Sapin 2 law") of 10 December 2016, France has established a new category of senior debt to meet eligibility criteria for TLAC and MREL ratios (as the latter are currently defined): senior "non-preferred" debt (codified in Articles L613-30-3-I-4° and R613-28 of the French Monetary and Financial Code). This debt category is also covered by the DRRB Directive.

Senior non-preferred securities differ from senior preferred securities due to their ranking of debt in liquidation defined contractually by reference to the aforementioned Articles L613-30-3-I-4° and R613-28 of the French Monetary and Financial Code (senior non-preferred securities are junior to senior preferred securities and senior to subordinated securities, including the TSS and TSR).

Crédit Agricole CIB's outstanding senior non-preferred debt amounted to €1,356 million at 31 December 2023 compared to €3,464 million at 31 December 2022.

6.8 Information on offsetting financial assets and liabilities

Derivative instruments were not offset, within the meaning of IAS 32R, but were settled on a daily basis (application of the “settlement to market” mechanism).

OFFSETTING – FINANCIAL ASSETS

	31.12.2023					
	Offsetting effects on financial assets covered by master netting agreements and similar agreements					
				Other amounts that can be offset under given conditions		
In millions of euros	Gross amounts of recognised financial assets before offsetting	Gross amounts of recognised financial liabilities set off in the financial statements	Net amounts of financial assets presented in the financial statements	Gross amounts of financial liabilities covered by master netting agreements	Amounts of other financial instruments received as collateral, including security deposits	Net amount after all offsetting effects
Derivatives [1]	135,972	-	135,972	81,884	24,993	29,095
Reverse repurchase agreements [2]	322,411	155,703	166,708	8,523	158,185	-
TOTAL FINANCIAL ASSETS SUBJECT TO OFFSETTING	**458,383**	**155,703**	**302,680**	**90,407**	**183,178**	**29,095**

[1] The amount of derivatives subject to offsetting represents 78.6% of the derivatives on the asset side of the balance sheet at the end of the reporting period.
[2] The amount of reverse repurchase agreements subject to offsetting represents 100% of the securities lent on the asset side of the balance sheet at the end of the reporting period.

	31.12.2022					
	Offsetting effects on financial assets covered by master netting agreements and similar agreements					
				Other amounts that can be offset under given conditions		
In millions of euros	Gross amounts of recognised financial assets before offsetting	Gross amounts of recognised financial liabilities set off in the financial statements	Net amounts of financial assets presented in the financial statements	Gross amounts of financial liabilities covered by master netting agreements	Amounts of other financial instruments received as collateral, including security deposits	Net amount after all offsetting effects
Derivatives [1]	157,820	-	157,820	94,792	33,717	29,311
Reverse repurchase agreements [2]	258,661	135,805	122,856	14,147	108,709	-
TOTAL FINANCIAL ASSETS SUBJECT TO OFFSETTING	**416,481**	**135,805**	**280,676**	**108,939**	**142,426**	**29,311**

[1] The amount of derivatives subject to offsetting represents 81% of the derivatives on the asset side of the balance sheet at the end of the reporting period.
[2] The amount of reverse repurchase agreements subject to offsetting represents 100% of the securities lent on the asset side of the balance sheet at the end of the reporting period.

OFFSETTING - FINANCIAL LIABILITIES

	31.12.2023					
	Offsetting effects on financial assets covered by master netting agreements and similar agreements					
				Other amounts that can be offset under given conditions		
In millions of euros	Gross amounts of recognised financial assets before offsetting	Gross amounts of recognised financial liabilities set off in the financial statements	Net amounts of financial assets presented in the financial statements	Gross amounts of financial liabilities covered by master netting agreements	Amounts of other financial instruments received as collateral, including security deposits	Net amount after all offsetting effects
Derivatives [1]	131,167	-	131,167	81,884	29,958	19,325
Repurchase agreements [2]	272,336	155,703	116,633	8,523	108,110	-
TOTAL FINANCIAL LIABILITIES SUBJECT TO OFFSETTING	**403,503**	**155,703**	**247,800**	**90,407**	**138,068**	**19,325**

[1] The amount of derivatives subject to offsetting represents 85.3% of the derivatives on the liability side of the balance sheet at the end of the reporting period.
[2] The amount of repurchase agreements subject to offsetting represents 100% of the repurchase agreements on the liability side of the balance sheet at the end of the reporting period.

	31.12.2022					
	Offsetting effects on financial assets covered by master netting agreements and similar agreements					
				Other amounts that can be offset under given conditions		
In millions of euros	Gross amounts of recognised financial assets before offsetting	Gross amounts of recognised financial liabilities set off in the financial statements	Net amounts of financial assets presented in the financial statements	Gross amounts of financial liabilities covered by master netting agreements	Amounts of other financial instruments received as collateral, including security deposits	Net amount after all offsetting effects
Derivatives [1]	160,689	-	160,689	94,792	47,456	18,441
Repurchase agreements [2]	218,549	135,805	82,744	14,147	68,597	-
TOTAL FINANCIAL LIABILITIES SUBJECT TO OFFSETTING	**379,238**	**135,805**	**243,433**	**108,939**	**116,053**	**18,441**

[1] The amount of derivatives subject to offsetting represents 89% of the derivatives on the liability side of the balance sheet at the end of the reporting period.
[2] The amount of repurchase agreements subject to offsetting represents 100% of the repurchase agreements on the liability side of the balance sheet at the end of the reporting period.

6.9 Current and deferred tax assets and liabilities

In millions of euros	31.12.2023	31.12.2022
Current tax	765	429
Deferred tax	1,033	1,122
TOTAL CURRENT AND DEFERRED TAX ASSETS	**1,798**	**1,551**
Current tax	959	928
Deferred tax	1,367	1,270
TOTAL CURRENT AND DEFERRED TAX LIABILITIES	**2,326**	**2,198**

Net deferred tax assets and liabilities can be broken down as follows:

	31.12.2023		31.12.2022	
In millions of euros	Deferred Tax Assets	Deferred Tax Liabilities	Deferred Tax Assets	Deferred Tax Liabilities
Temporary timing differences - tax	**544**	**1,284**	**488**	**1,236**
Non-deductible accrued expenses	216	-	173	-
Non-deductible for liabilities and charges	250	-	249	-
Other temporary differences [1]	78	1,284	66	1,236
Deferred tax on reserves for unrealised gains or losses	**440**	**48**	**577**	**11**
Financial assets at fair value through other comprehensive income	3	6	2	7
Cash flow hedges	391	1	650	1
Gains and losses/Actuarial differences	46	13	31	3
Other comprehensive income attributable to changes in own credit risk	-	28	(106)	-
Deferred tax on income and reserves	**49**	**35**	**57**	**23**
TOTAL DEFERRED TAX	**1,033**	**1,367**	**1,122**	**1,270**

[1] The share of deferred taxes relating to tax loss carryforwards was €22.9 million for 2023 and €20 million for 2022.

Deferred tax is netted in the balance sheet by tax consolidation level.

In order to determine the level of deferred tax to be recognised, Crédit Agricole CIB takes into account, for each relevant entity or tax group, the applicable tax regime and the income projections established during the budget procedure.

TAX AUDITS

Crédit Agricole CIB Paris tax audit

Following an accounting audit covering the 2019 and 2020 financial years, Crédit Agricole CIB received adjustment proposals at the end of 2022 and 2023. Crédit Agricole CIB contests the proposed adjustments in a reasoned argument. A provision was recognised to cover the estimated risk.

CLSA liability guarantee

In 2013, the Crédit Agricole Group sold the CLSA entities to Chinese group CITICS.

Following tax adjustments made to some CLSA entities in India and the Philippines, CITICS invoked the liability guarantee against the Crédit Agricole Group. The corrected items were disputed in a reasoned argument. A provision was recognised to cover the estimated risk.

6.10 Accruals - assets, liabilities and other

ACCRUALS, PREPAYMENTS AND SUNDRY ASSETS

In millions of euros	31.12.2023	31.12.2022
Other assets	**40,044**	**55,847**
Inventory accounts and miscellaneous	209	191
Sundry debtors [1]	37,635	54,196
Settlements accounts	2,200	1,460
Accruals and deferred income	**7,673**	**6,336**
Items in course of transmission	3,925	4,139
Adjustment and suspense accounts	2,113	940
Accrued income	1,106	791
Prepaid expenses	471	426
Other accruals prepayments and sundry assets	58	40
CARRYING AMOUNT	**47,717**	**62,183**

[1] Including €351.5 million at 31 December 2023 in respect of the contribution to the Single Resolution Fund in the form of a security deposit versus €280.9 million at 31 December 2022.

As a reminder, the European regulatory framework aimed at preserving financial stability was supplemented by Directive 2014/59/EU of 15 May 2014 (Bank Recovery and Resolution Directive) establishing a framework for the recovery and resolution of credit institutions and investment firms. The financing mechanism for the resolution mechanism is established by European Regulation (EU) No. 806/2014 of 15 July 2014 for reporting institutions.

The security deposit corresponds to guarantees for institutions that have made use of irrevocable payment commitments referred to in Article 70(3) of Regulation (EU) No 806/2014 providing that these commitments do not exceed 30% of the total amount of contributions received in accordance with that Article.

For fiscal year 2023, the amount of the contribution in the form of irrevocable payment commitments amounted to €71 million; the amount paid in the form of a contribution amounted to €274 million in Operating expenses (Appendix 4.7 to these financial statements).

In accordance with Implementing Regulation (EU) No. 2015/81 of 19 December 2014, when a resolution measure involves the Fund in accordance with Article 76 of Regulation (EU) No. 806/2014, the SRB calls on all or part of the irrevocable payment commitments, made in accordance with Regulation (EU) No. 806/2014, in order to restore the share of irrevocable payment commitments in the Fund's available financial means set by the SRB within the limit of the ceiling set in Article 70(3) of the aforementioned Regulation (EU) No. 806/2014.

The guarantees attached to these commitments will be returned in accordance with Article 3 of EU Regulation No. 2015/81 of 19 December 2014, once the Fund duly receives the contribution related to the irrevocable payment commitments that have been called. The Group does not expect a resolution measure requiring an additional call for the Group, within the framework of the aforementioned mechanism, to occur in the eurozone in the foreseeable future; nor does it expect a loss or withdrawal of its banking license.

In addition, this security deposit classified as a miscellaneous debtor, in the institution's assets, with no change compared to previous years, is remunerated in accordance with the agreement concerning the irrevocable payment commitment and the guarantee scheme entered into between the Group and the Single Resolution Board.

ACCRUALS, DEFERRED INCOME AND SUNDRY LIABILITIES

In millions of euros	31.12.2023	31.12.2022
Other liabilities [1]	**36,901**	**42,546**
Settlements accounts	2,412	2,399
Sundry creditors	33,890	39,665
Liabilities related to trading securities	5	7
Lease liabilities	594	475
Other	-	-
Accruals and deferred income	**7,828**	**6,722**
Items in course of transmission [2]	4,370	3,796
Adjustment and suspense accounts	378	287
Unearned income	332	388
Accrued expenses	2,625	2,101
Other accruals prepayments and sundry liabilities	123	150
CARRYING AMOUNT	**44,729**	**49,268**

[1] The amounts indicated include the related debts.
[2] Net amounts.

6.11 Joint ventures and associates

Investments in equity-accounted entities for which objective evidence of impairment was identified were subject to impairment tests using the same methodology as for goodwill, i.e. by using expected future cash flow estimates of the companies in question and by using the valuation inputs described in Note 6.13 “Goodwill”.

FINANCIAL INFORMATION OF JOINT VENTURES AND ASSOCIATES

At 31 December 2023,

- the equity-accounted value of joint ventures was nil as it was fully impaired (same situation at 31 December 2022),
- Crédit Agricole CIB holds interests in a single joint venture.

Significant associates and joint ventures are presented in the table of Note 6.11.1. These are the main joint ventures and associates that make up the “equity-accounted value” in the balance sheet.

6.11.1 JOINT VENTURES AND ASSOCIATES: INFORMATION

	31.12.2023					
In millions of euros	% of interest	Equity-accounted value	Share of market value	Dividends paid to group's entities	Share of net income	Share of shareholders' equity [1]
Joint ventures						
UBAF	47.01%	-	-	1	1	152
Net carrying amount of investments in equity-accounted entities (Joint ventures)		**-**	**-**	**1**	**1**	**152**
Associates						
Net carrying amount of investments in equity-accounted entities (Associates)		**-**	**-**	**-**	**-**	**-**
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES		**-**	**-**	**1**	**1**	**152**

[1] Equity Group share in the financial statements of the joint venture or associate when the joint venture or associate is a sub-group.

	31.12.2022					
In millions of euros	% of interest	Equity-accounted value	Share of market value	Dividends paid to group's entities	Share of net income	Share of shareholders' equity [1]
Joint ventures						
UBAF	47.01%	-	-	-	-	136
Net carrying amount of investments in equity-accounted entities (Joint ventures)		**-**	**-**	**-**	**-**	**136**
Associates						
Net carrying amount of investments in equity-accounted entities (Associates)		**-**	**-**	**-**	**-**	**-**
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES		**-**	**-**	**-**	**-**	**136**

[1] Equity Group share in the financial statements of the joint venture or associate when the joint venture or associate is a sub-group.

6.11.2 JOINT VENTURES AND ASSOCIATES: DETAILED INFORMATION

The condensed financial information of the joint ventures and significant associates of Crédit Agricole CIB is presented below:

	31.12.2023			
In millions of euros	Revenues	Net income	Total assets	Total equity
Joint ventures				
UBAF	75	20	1,896	324
TOTAL	**75**	**20**	**1,896**	**324**

	31.12.2022			
In millions of euros	Revenues	Net income	Total assets	Total equity
Joint ventures				
UBAF	64	10	2,322	290
TOTAL	**64**	**10**	**2,322**	**290**

6.11.3 SIGNIFICANT RESTRICTIONS ON JOINT VENTURES AND ASSOCIATES

Crédit Agricole CIB is subject to the following restrictions:

- Regulatory constraints

The joint ventures and associates of Crédit Agricole CIB are subject to prudential regulation and regulatory capital requirements in their host countries. The minimum solvency ratio, leverage ratio and liquidity ratio requirements limit the ability of these entities to pay dividends or transfer assets to Crédit Agricole CIB.

- Legal constraints

Crédit Agricole CIB group subsidiaries are subject to the legal provisions governing the distribution of capital and distributable profits. These requirements limit their ability to distribute dividends. In the majority of cases, these are less restrictive than the regulatory limitations mentioned above.

6.12 Property, plant & equipment and intangible assets (excluding goodwill)

Operating property, plant and equipment include the right to use fixed assets leased as lessee.

The depreciation and impairments of the property, plant & equipment used in operations are presented including the depreciation of fixed assets leased under operating leases.

In millions of euros	31.12.2022	Changes in scope	Increases (acquisitions)	Decreases (disposals and redemptions)	Translation adjustments	Other movements	31.12.2023
Property, plant & equipment used in operations							
Gross amount	2,077	2	321	(197)	3	-	**2,206**
Depreciation and impairment	(1,139)	-	(149)	188	2	-	**(1,098)**
CARRYING AMOUNT	**938**	**2**	**172**	**(9)**	**5**	**-**	**1,108**
Intangible assets							
Gross amount	934	-	133	(19)	4	-	**1,052**
Depreciation and impairment	(472)	-	(91)	17	-	-	**(546)**
CARRYING AMOUNT	**462**	**-**	**42**	**(2)**	**4**	**-**	**506**

In millions of euros	31.12.2021	Changes in scope	Increases (acquisitions)	Decreases (disposals and redemptions)	Translation adjustments	Other movements	31.12.2022
Property, plant & equipment used in operations							
Gross amount	1,851	6	274	(87)	33	-	2,077
Depreciation and impairment	(1,022)	(4)	(171)	81	(21)	(2)	(1,139)
CARRYING AMOUNT	**829**	**2**	**103**	**(6)**	**12**	**(2)**	**938**
Intangible assets							
Gross amount	818	1	114	(7)	8	-	934
Depreciation and impairment	(398)	(1)	(74)	3	(2)	-	(472)
CARRYING AMOUNT	**420**	**-**	**40**	**(4)**	**6**	**-**	**462**

6

6.13 Goodwill

In millions of euros	31.12.2022 GROSS	31.12.2022 NET	Increases (acquisitions)	Decreases (Divestments)	Impairment losses during the period	Translation adjustments	Other movements	31.12.2023 GROSS	31.12.2023 NET
Corporate and Investment banking	655	485	-	-	-	-	-	655	485
Wealth Management	601	601	-	-	-	28	-	629	629
TOTAL	**1,256**	**1,086**	**-**	**-**	**-**	**28**	**-**	**1,284**	**1,114**

Impairment tests were carried out on goodwill, based on an assessment of the value in use of the CGUs to which it is attached. The determination of value in use was based on the discounting of the CGU's estimated future cash flows that resulted from business forecasts of medium-term plans established for the Group's management purposes.

The following assumptions were used:

- Estimated future flows: forecast data based on three-year forecast budgets (2024-2026) for its management needs, extrapolated to a fourth and a fifth year in order to converge towards a standardised final year.

The economic scenario on which the projected financial trajectories are based integrates the lasting impacts of the war in Ukraine, a gradual reduction in inflation and an environment of significantly and durably higher interest rates. The degree of resilience of economies to this environment is, however, very heterogeneous, depending on their economic structures and their budgetary and monetary leeway.

Global growth slowed significantly in 2023 and is expected to remain below its potential in 2024. In contrast to the eurozone, US growth accelerated in 2023, driven by a solid growth overhang at the start of the year, resilient domestic demand (robust private consumption) and a robust job market. The recessionary effects of monetary policy will slow down activity and will further affect growth, which is expected to slow sharply, in 2024.

In the eurozone, the inflation shock weighed heavily on consumption and the rise in interest rates held back investment (particularly in construction). Exports were hit by slowing Chinese growth and sluggish intra-zone demand. Fiscal measures to support growth have faded and are now on the verge of extinction. However, the eurozone experienced a soft landing in growth that fell significantly while avoiding a recession.

A scenario of a "soft" recovery in eurozone growth is set for 2024 (at 0.7% after 0.5% in 2023), before a fairly moderate rebound in 2025. Growth will remain below potential due to the competitiveness shock caused by the war in Ukraine, a shock that will persist over time. These forecasts are based on (i) inflationary pressures falling very gradually in 2024 but with a rate of inflation exceeding the 2% target, (ii) a limited recovery in consumption in the absence, in particular, of a price/wage loop, (iii) limited effects on supply and global supply chains in the absence of a sharp escalation of the conflict in the Middle East, but a likely risk of an increase in freight costs.

In terms of monetary policy, the focus remains on fighting inflation. Despite the slowdown, central banks will not take the risk of letting their guard down too quickly, especially as core inflation could prove more resilient than expected. In the United States, after aggressive rate hikes in 2022 (425 basis points) and more modest ones in 2023 (100 basis points), bringing the target range to 5.25%-5.50%, the Fed seems to have reached the end of its monetary tightening cycle, but remains vigilant about inflation trends before any easing of monetary conditions.

In the eurozone, the ECB also embarked on monetary tightening and has raised its rates by 450 basis points since the summer of 2022, transitioning from a highly accommodative level to a restrictive threshold. The ECB also appears to have reached the end of its interest rate hike cycle and a first rate cut of 25 basis points is expected in the third quarter this year, to be followed by three successive cuts of 50 basis points each. The refinancing rate would thus reach 3.75% at the end of 2024 and 2.75% at the end of 2025. At the same time, long-term rates will start to fall more gradually in line with a rather modest recovery in activity.

- Growth rate to perpetuity: 2%. Growth rates to perpetuity at 31 December 2023 were identical to those used at 31 December 2022 and reflect the growth forecasts of Crédit Agricole CIB for both CGUs;
- Discount rates: 9.80% (up 30 basis points compared to 31 December 2022) for the Corporate and Investment Banking CGU and 8.90% (up 30 basis points compared to 31 December 2022) for the Wealth Management CGU. The calculation of discount rates is based on a rolling monthly average over 15 years.

The impairment tests performed at 31 December 2023 did not lead to any impairment losses being recognised on goodwill.

Sensitivity tests on goodwill - Group share did not detect any impairment requirements, either for the Corporate and Investment Banking CGU or the Wealth Management CGU:

- a +50 bp increase in the rate of CGU capital allocation would not lead to recognition of impairment;
- a +50 bp increase in the discount rate would not lead to recognition of impairment;
- a +100 bp increase in the cost/income ratio in the terminal year would not lead to recognition of impairment;
- a +10 bp increase in cost of risk in the terminal year would not lead to recognition of impairment.

6.14 Provisions

In millions of euros	31.12.2022	Changes in scope	Depreciation charges	Reversals, amounts used	Reversals, amounts not used	Translation adjustments	Other movements	31.12.2023
Home purchase schemes risks	-	-	-	-	-	-	-	-
Execution risks of commitments by signature	440	-	455	-	(410)	(16)	-	469
Operational risks	15	-	1	(8)	-	-	-	8
Employee retirement and similar benefits [1]	262	-	25	(20)	(3)	4	79	347
Litigation	182	-	47	(31)	(28)	(1)	-	169
Equity investments	-	-	-	-	-	-	-	-
Restructuring	-	-	-	-	-	-	-	-
Other risks	23	-	17	(11)	(5)	-	-	24
TOTAL	**922**	**-**	**545**	**(70)**	**(446)**	**(13)**	**79**	**1,017**

[1] *Of which €257 million in respect of post-employment benefits under defined-benefit plans, as detailed in Note 7.4, Of which €7.5 million in respect of the long-service award.*

In millions of euros	31.12.2021	Changes in scope	Depreciation charges	Reversals, amounts used	Reversals, amounts not used	Translation adjustments	Other movements	31.12.2022
Home purchase schemes risks	-	-	-	-	-	-	-	-
Execution risks of commitments by signature	511	-	391	(2)	(488)	28	-	440
Operational risks	52	-	12	(51)	(1)	3	-	15
Employee retirement and similar benefits [1]	411	1	35	(28)	(4)	6	(159)	262
Litigation	325	-	24	(49)	(119)	1	-	182
Equity investments	-	-	-	-	-	-	-	-
Restructuring	-	-	-	-	-	-	-	-
Other risks	38	1	8	(7)	(18)	1	-	23
TOTAL	**1,337**	**2**	**470**	**(137)**	**(630)**	**39**	**(159)**	**922**

[1] *Of which €176 million in respect of post-employment benefits under defined-benefit plans, as detailed in Note 7.4, Of which €7.9 million in respect of the long-service award.*

INVESTIGATIONS, INFORMATION REQUESTS AND LITIGATION PROCEEDINGS

In the normal course of business, Crédit Agricole CIB is regularly subject to litigation proceedings, as well as requests for information, investigations, controls and other regulatory or judicial procedures from various institutions in France and abroad. The provisions recognised reflect the management's best judgement, considering the information in its possession at the closing date of the accounts.

Office of Foreign Assets Control (OFAC)

In October 2015, Crédit Agricole S.A. and its subsidiary Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) reached agreements with the US and New York authorities that had been conducting investigations regarding US dollar transactions with countries subject to US economic sanctions. The events covered by this agreement took place between 2003 and 2008.

Crédit Agricole CIB and Crédit Agricole S.A., which cooperated with the US and New York authorities in connection with their investigations, have agreed to pay a total penalty amount of US$787.3 million (i.e. €692.7 million). The payment of this penalty has been allocated to the pre-existing reserve that had already been taken and, therefore, has not affected the accounts for the second half of 2015.

The agreements with the Board of Governors of the US Federal Reserve System (Fed) and the New-York State Department of Financial Services (NYDFS) are with Crédit Agricole S.A. and Crédit Agricole CIB. The agreement with the Office of Foreign Assets Control (OFAC) of the US Department of the Treasury is with Crédit Agricole CIB. Crédit Agricole CIB also entered into separate deferred prosecution agreements (DPAs) with the United States Attorney's Office for the District of Columbia (USAO) and the District Attorney of the County of New York (DANY), the terms of which are three years. On October 19, 2018 the two deferred prosecution agreements with USAO and DANY ended at the end of the three year period, Crédit Agricole CIB having complied with all its obligations under the DPAs.

Crédit Agricole continues to strengthen its internal procedures and its compliance programs regarding laws on international sanctions and will continue to cooperate fully with the US and New York authorities with its home regulators, the European Central Bank and the French Regulatory and Resolution Supervisory Authority (ACPR), and with the other regulators across its worldwide network.

Pursuant to the agreements with NYDFS and the US Federal Reserve, Crédit Agricole's compliance program is subject to regular reviews to evaluate its effectiveness, including a review by an independent consultant appointed by NYDFS for a term of one year and annual reviews by an independent consultant approved by the Federal Reserve.

Euribor/Libor and other indexes

Crédit Agricole S.A. and its subsidiary Crédit Agricole CIB, in their capacity as contributors to a number of interbank rates, have received requests for information from a number of authorities as part of investigations into: (i) the calculation of the Libor (London

Interbank Offered Rates) in a number of currencies, the Euribor (Euro Interbank Offered Rate) and certain other market indices; and (ii) transactions connected with these rates and indices. These demands covered several periods from 2005 to 2012.

As part of its cooperation with the authorities, Crédit Agricole S.A. and its subsidiary Crédit Agricole CIB carried out investigations in order to gather the information requested by the various authorities and in particular the American authorities – the DOJ (Department of Justice) and CFTC (Commodity Future Trading Commission) – with which they are in discussions. It is currently not possible to know the outcome of these discussions, nor the date when they will be concluded.

Furthermore, Crédit Agricole CIB is currently under investigation opened by the Attorney General of the State of Florida on both the Libor and the Euribor.

Following its investigation and an unsuccessful settlement procedure, on 21 May 2014, the European Commission sent a statement of objection to Crédit Agricole S.A. and to Crédit Agricole CIB pertaining to agreements or concerted practices for the purpose and/or effect of preventing, restricting or distorting competition in derivatives related to the Euribor.

In a decision dated 7 December 2016, the European Commission jointly fined Crédit Agricole S.A. and Crédit Agricole CIB €114,654,000 for participating in a cartel in euro interest rate derivatives. Crédit Agricole S.A. and Crédit Agricole CIB are challenging this decision and have asked the European Court of Justice to overturn it. On December 20, 2023, the Court handed down its decision, reducing the fine to €110,000,000 and dismissing certain conduct attributed to Crédit Agricole S.A. and Crédit Agricole CIB. Crédit Agricole S.A. and Crédit Agricole CIB are considering whether to appeal against this decision.

The Swiss competition authority, COMCO, has conducted an investigation into the market for interest rate derivatives, including the Euribor, with regard to Crédit Agricole S.A. and several Swiss and international banks. This investigation was closed following a settlement procedure under which Crédit Agricole S.A agreed to pay a penalty of CHF 4,465,701 and proceedings costs amounting to CHF 187,012 without any admission of guilt.

Moreover, in June 2016 the Korean Fair Trade Commission (KFTC) decided to close the investigation launched in September 2015 into Crédit Agricole CIB and the Libor index on various currencies, Euribor and Tibor indices. The investigation into certain foreign exchange derivatives (ABS-NDF) has been closed by the KFTC according to a decision notified to Crédit Agricole CIB on 20 December 2018.

Concerning the two class actions in the United States of America in which Crédit Agricole S.A. and Crédit Agricole CIB have been named since 2012 and 2013 along with other financial institutions, both as defendants in one (“Sullivan” for the Euribor) and only Crédit Agricole S.A. as defendant for the other (“Lieberman” for Libor), the “Lieberman” class action is now closed, as the plaintiffs decided to voluntarily dismiss from the proceedings. Concerning the“Sullivan” class action, Crédit Agricole S.A. and Crédit Agricole CIB had introduced a motion to dismiss the plaintiffs’ claim, which was, in fist instance, granted by the US District Court of New York State. On 14 June 2019, the plaintiffs had appealed this decision. While awaiting the decision on this appeal, the U.S. Second District Court of Appeal handed down on 31 December 2021, in a separate case (known as GELBOIM), a decision modifying its jurisprudence on the personal jurisdiction of US courts over foreign defendants. In order to avoid possible negative consequences of this reversal of jurisprudence on the ongoing appeal, Crédit Agricole S.A. and Crédit Agricole CIB had negotiated with the plaintiffs a settlement to permanently end the proceedings providing for the payment to the plaintiffs of 55 million US dollars, which was made in 2022. This settlement, which does not involve any admission of guilt from Crédit Agricole S.A. and Crédit Agricole CIB, was homologated by the New-York court on November 15, 2022, a decision that was not appealed. According to the usual cooperation provisions of such an agreement, a request for confirmatory discovery could possibly be submitted to Crédit Agricole S.A. and Crédit Agricole CIB by the plaintiffs in 2024 in the event that this would be necessary in the context of their discussions to reach an agreement with other parties that have not settled yet.

Since 1st July 2016, Crédit Agricole S.A. and Crédit Agricole CIB, together with other banks, are also party to a new class action suit in the United States (“Frontpoint”) relating to the SIBOR (Singapore Interbank Offered Rate) and SOR (Singapore Swap Offer Rate) indices. After having granted a first motion to dismiss filed by Crédit Agricole S.A. and Crédit Agricole CIB, the New York Federal District Court, ruling on a new request by the plaintiffs, excluded Crédit Agricole S.A. from the Frontpoint case on the grounds that it had not contributed to the relevant indexes. The Court considered, however, taking into account recent developments in case law, that its jurisdiction could apply to Crédit Agricole CIB, as well as to all the banks that are members of the SIBOR index panel. The allegations contained in the complaint regarding the SIBOR/USD index and the SOR index were also rejected by the court, therefore the index SIBOR/Singapore dollar alone is still taken into account. On 26 December 2018, the plaintiffs filed a new complaint aimed at reintroducing into the scope of the Frontpoint case the alleged manipulations of the SIBOR and SOR indexes that affected the transactions in US dollars. Crédit Agricole CIB, alongside the other defendants, objected to this new complaint at the hearing held on 2 May 2019 before the New York Federal District Court. On July 26, 2019, the Federal Court granted the defendants’ motion to dismiss. The plaintiffs filed a notice of appeal on August 26, 2019.

On March 17, 2021, a three-judge panel of the Court of Appeal of the 2nd Circuit reversed the dismissal, consequently considering the new complaint admissible and returned the case to the New York Federal District Court. The defendants, including Crédit Agricole CIB, requested the Second Circuit Court, sitting in plenary session, to reconsider this decision (all the active judges of the Court). This motion was denied by the Second Circuit Court on May 6, 2021. Another motion was filed on May 12, 2021 by the defendants seeking a stay of this decision remanding the case to the District Court with a view to obtaining the suspension of this return of the case before the first instance court, which was rejected on May 24, 2021. On October 1st, 2021, the defendants filed an appeal with the US Supreme Court, which decided on January 10, 2022 not to consider the case. A new petition, currently under review, has been filed by the defendants before the District Court in an attempt to stop this action.

On 27 May 2022, all 13 defendants signed into a transactional agreement with the plaintiffs to definitely dismiss this action. This agreement provides for payment of a fixed sum to the plaintiffs, with distribution plan for each plaintiff. As a result, Crédit Agricole CIB will pay US$7.3 million (8.03% of the total amount). This agreement which includes no acknowledgement of culpability on the part of Crédit Agricole CIB, was homologated by the New York court on November 29, 2022, a decision that was not appealed.

Bonds SSA

Several regulators requested information to Crédit Agricole S.A. and to Crédit Agricole CIB for investigations relating to activities of different banks involved in the secondary trading of Bonds SSA (Supranational, Sub-Sovereign and Agencies) denominated in American dollars. Through the cooperation with these regulators, Crédit Agricole CIB proceeded to internal inquiries to gather the required information available. On 20 December 2018, the European Commission issued a Statement of Objections to a number of banks including Crédit Agricole S.A. and Crédit Agricole CIB within its inquiry on a possible infringement of rules of European Competition law in the secondary trading of Bonds SSA denominated in American dollars. Crédit Agricole S.A. and Crédit Agricole CIB became aware of these objections and issued a response on 29 March 2019, followed by an oral hearing on 10-11 July 2019.

In a decision dated 28 April 2021, the European Commission jointly fined Crédit Agricole S.A. and Crédit Agricole CIB €3,993,000 for participating in a cartel on the secondary trading market of Bonds SSA denominated in US dollars. On 7 July 2021, Crédit Agricole S.A. and Crédit Agricole CIB appealed against this decision to the European General Court of the European Union. The appeal hearing took place on 16 June 2023 and judgment is pending.

Crédit Agricole CIB was included with other banks in a putative consolidated class action before the United States District Court for the Southern District of New York. That action was dismissed on 29 August 2018 on the basis that the plaintiffs failed to allege an injury sufficient to give them standing. However the plaintiffs were given an opportunity to attempt to remedy that defect. The plaintiffs filed an amended complaint on 7 November 2018. Crédit Agricole CIB as well as the other defendants filed motions to dismiss the amended complaint. An order issued on 30 September 2019 dismissed the class action against Crédit Agricole CIB for lack of jurisdiction and, in a subsequent ruling, the Court held that the plaintiffs had in any event failed to state a claim for violation of US antitrust law. In June 2020, the plaintiffs took an appeal from both of the Court's orders. On 19 July 2021, the Second Circuit Court of Appeal affirmed the district court's holding that plaintiffs had failed to state a claim for violation of US antitrust law. Plaintiffs' deadline to seek further review of the district court's decision from the US Supreme Court passed on 2 December 2021 without plaintiffs seeking review by that Court. Plaintiffs subsequently sought leave to file a motion to vacate the trial court's judgment, on the basis that the trial court judge had not disclosed a conflict of interest at the outset of the action. The action was reassigned to a new judge for purposes of considering that request, and that new judge ordered the parties to brief the issue for her review. On 3 October 2022, that judge, District Judge Valerie Caproni, issued an opinion and order denying the plaintiffs' motion to vacate the judgment and instructing the Clerk of Court to close the case. Plaintiffs did not take an appeal from Judge Caproni's ruling.

On 7 February 2019, a second class action was filed against Crédit Agricole CIB and the other defendants named in the class action already pending before the United States District Court for the Southern District of New York. In July 2020, the plaintiffs voluntarily discontinued the action but the claim could be revived.

On 11 July 2018, Crédit Agricole S.A. and Crédit Agricole CIB were notified with other banks of a class action filed in Canada, before the Ontario Superior Court of Justice. Another class action was filed in the Federal Court of Canada. The action before the Ontario Superior Court of Justice was dismissed on 19 February 2020. Crédit Agricole S.A. and Crédit Agricole CIB have reached an agreement in principle to resolve the proceedings before the Federal Court. The final agreement has yet to be approved by the court.

◆ O'Sullivan and Tavera

On November 9, 2017, a group of individuals, (or their families or estates), who claimed to have been injured or killed in attacks in Iraq filed a complaint ("*O'Sullivan I*") against several banks including Crédit Agricole S.A., and its subsidiary Crédit Agricole Corporate Investment Bank (Crédit Agricole CIB), in US Federal District Court of New York.

On December 29, 2018, the same group of individuals, together with 57 new plaintiffs, filed a separate action ("O'Sullivan II") against the same defendants.

On December 21, 2018, a different group of individuals filed a complaint ("*Tavera*") against the same defendants.

All three complaints allege that Crédit Agricole S.A., Crédit Agricole CIB, and other defendants conspired with Iran and its agents to violate US sanctions and engage in transactions with Iranian entities in violation of the US Anti-Terrorism Act and the Justice Against Sponsors of Terrorism Act. Specifically, the complaints allege that Crédit Agricole S.A., Crédit Agricole CIB, and other defendants processed US dollar transactions on behalf of Iran and Iranian entities in violation of sanctions administered by the US Treasury Department's Office of Foreign Assets Control, which allegedly enabled Iran to fund terrorist organizations that, as is alleged, attacked plaintiffs. The plaintiffs are seeking an unspecified amount of compensatory damages.

On 2 March 2018, Crédit Agricole CIB and other defendants filed a motion to dismiss the *O' Sullivan I* Complaint. On 28 March 2019, the Court granted defendants' motion to dismiss. On 22 April 2019, the plaintiffs filed a motion to amend their complaint. Defendants submitted an opposition to that motion on 20 May 2019 and plaintiffs filed a reply on 10 June 2019. On 25 February 2020 the plaintiffs' motion to amend their complaint was denied and their original complaint dismissed with prejudice.

On 28 May 2020, plaintiffs filed a motion requesting that the court enter a final judgment against defendants to allow an appeal. On 11 June 2020, the defendants filed an opposition to plaintiffs' motion, and plaintiffs filed a reply brief on 18 June 2020. On June 29, 2021, the court denied plaintiffs' motion.

Concerning the procedure: In the O'Sullivan case, on July 28, 2021, the court stayed the *O'Sullivan I* action pending a decision in the appeal in a related case, Freeman v. HSBC Holdings, PLC, No. 19-3970 (2d. Cir.) ("*Freeman I*"). (The *O'Sullivan II* case is stayed pending resolution of the *O'Sullivan I* case and the *Tavera* case had been previously stayed pending the *Freeman I* appeal.) On June 5, 2023, the court extended the stay in the *O'Sullivan I* and *O'Sullivan II* actions pending a decision in the appeal to the U.S. Supreme Court of the Second Circuit's decision in *Freeman I*. On October 2, 2023, the Supreme Court denied the petition for review of the Second Circuit's decision in *Freeman I*. On November 9, 2023, the court extended the stay pending resolution of certain motions in the district court in *Freeman I* and related cases including Freeman v. HSBC Holdings plc, No; 18-cv-7359 (E.D.N.Y) ("*Freeman II*") and Stephens v. HSBC Holdings plc, 18-cv-7439 (E.D.N.Y).

In the Tavera case, on September 12, 2023, the court extended the stay until after the Supreme Court's decision in *Freeman I*. On October 2, 2023, the Supreme Court denied the petition for review of the Second Circuit's decision in *Freeman I*.

On November 8, 2023, the court extended the stay pending resolution of certain motions in the district court in the *Freeman I*, *Freeman II* and Stephens cases, and ordered the plaintiffs to submit a status report on April 1, 2024.

Binding agreements

Crédit Agricole Corporate & Investment Bank does not depend on any industrial, commercial or financial patent, license or contract.

6.15 Subordinated debt

In millions of euros	31.12.2023	31.12.2022
Dated subordinated debt	4,254	4,293
Undated subordinated debt	-	-
CARRYING AMOUNT	**4,254**	**4,293**

SUBORDINATED DEBT ISSUES

The issues of subordinated debt by Crédit Agricole CIB plays a part in regulatory capital management while helping to fund all Crédit Agricole CIB operations.

The Capital Requirements Regulation and Directive (CRD/CRR[(1)]) and the terms under which they are applied in French law define the conditions under which subordinated instruments qualify as regulatory capital and set out the terms and conditions of progressive disqualification of older instruments that do not meet or no longer meet these requirements.

All subordinated debt issues, whether new or old, are likely to be subject to losses as a result of their partial or total write-down or their conversion into equity under certain circumstances, in accordance with applicable French law transposing the European Bank Recovery and Resolution Directive (BRRD[(2)]).

Subordinated debt issues differ from unsecured senior bonds (preferred or non-preferred) due to their ranking in terms of liquidation (principal and interest) as contractually defined by their subordination clause explicitly referring to applicable French law (subordinated debt issues are junior to unsecured senior non-preferred and preferred debt). Consequently, subordinated debt instruments are converted into capital or depreciated as a priority and in any event before unsecured senior debt instruments, particularly in the event of the implementation of the bail-in tool by the competent authorities as part of the resolution of the issuing entity. Similarly, in the event of the liquidation of this same issuing entity, the creditors of these subordinated debt instruments will only potentially be paid, if funds remain available, after payment of these preferred and non-preferred unsecured debt instruments.

6.16 Total equity

OWNERSHIP STRUCTURE AT 31 DECEMBER 2023

At 31 December 2023, share and voting right ownership broke down as follows:

Shareholders of Crédit Agricole CIB	Number of shares at 31.12.2023	% of the share capital	% of voting rights
Crédit Agricole S.A.	283,037,792	97.33%	97.33%
SACAM développement [1]	6,485,666	2.23%	2.23%
Delfinances [2]	1,277,888	0.44%	0.44%
TOTAL	**290,801,346**	**100%**	**100%**

[1] Owned by Crédit Agricole Group.

[2] Owned by Crédit Agricole S.A.

At 31 December 2023, Crédit Agricole CIB's share capital stood at €7,851,636,342 composed of 290,801,346 fully paid up ordinary shares each with a par value of €27.

(1) Directive 2013/36/EU as of 26 June 2013 as amended and amended in particular by Directive (EU) 2019/878 as of 20 May 2019 (and its transpositions into French law) and Regulation (EU) as of 26 June 2013 n.575/2013 as supplemented and amended, including in particular through Regulation (EU) 2019/876 as of 20 May 2019.
(2) Directive 2014/59/EU as of 15 May 2014 as supplemented and amended, including in particular through Directive (EU) 2019/879 as of 20 May 2019.

EARNINGS PER SHARE

		31.12.2023	31.12.2022
Net income Group share during the period	*(In millions of euros)*	2,241	1,838
Net income attributable to undated deeply subordinated securities	*(In millions of euros)*	(693)	(463)
Net income attributable to holders of ordinary shares	*(In millions of euros)*	**1,548**	**1,375**
Weighted average number of ordinary shares in circulation during the period		290,801,346	290,801,346
Weighted average number of ordinary shares for calculation of diluted earnings per share		290,801,346	290,801,346
BASIC EARNINGS PER SHARE	*(in euros)*	**5.32**	**4.73**
Basic earnings per share from ongoing activities	*(in euros)*	**5.32**	**4.72**
Basic earnings per share from discontinued operations	*(in euros)*	**0.00**	**0.01**
DILUTED EARNINGS PER SHARE (IN EUROS)	*(in euros)*	**5.32**	**4.73**
Diluted earnings per share from ongoing activities	*(in euros)*	**5.32**	**4.72**
Diluted earnings per share from discontinued operations	*(in euros)*	**0.00**	**0.01**

The net income attributable to subordinated and deeply subordinated securities is equal to the issue costs and the interest accrued on subordinated and deeply subordinated Additional Tier 1 bond issues. It totalled - €693 million in respect of financial year 2023.

DIVIDENDS

The dividend distribution policy, defined by the Board of Directors, is based on an analysis which takes past dividends, the financial position and the results of the company into account.

The Board of Directors may advise the General Meeting that part of distributable earnings should be retained or appropriated to one or more reserve accounts. These reserves may receive any appropriations decided by the General Meeting, on a motion by the Board of Directors, in particular with a view to the amortisation or reduction of the capital through the share redemption or buybacks.

The balance of distributable profit is allocated to the shareholders, in proportion to their interest in the Company's share capital for the purpose of dividend distribution.

In addition, the General Meeting may decide to distribute sums deducted from distributable reserves.

However, except in the case of a capital reduction, no distribution may be made to the shareholders when the shareholders' equity is or would become less than the amount of the share capital plus reserves that the laws and regulations in force do not permit to be distributed.

The conditions for dividend payment approved by the General Meeting are set by the latter or failing that, by the Board of Directors and the payment must occur within the time period prescribed by the laws and regulations in force.

The General Meeting called to approve the financial statements for the year may grant to each shareholder, for all or part of the dividend being distributed, or for the interim dividends, a choice between payment of the final or interim dividends in cash or in shares.

Dividend paid in respect of year	Dividend amount in € millions	Number of share receiving dividend	Dividend per share (euros)	
2019	512	290,801,346	Total:	1.76
2020	1,023	290,801,346	Total:	3.52
2021	553	290,801,346	Total:	1.90
2022	343	290,801,346	Total:	1.18
2023	172	290,801,346	Total:	0.59

For the 2023 financial year, the Board of Directors made a motion to submit for approval to the General Meeting the distribution of €171,572,794.14.

6

APPROPRIATION OF INCOME AND DETERMINATION OF 2023 DIVIDEND

The proposed appropriation of net income is set out in the draft resolutions to be presented by the Board of Directors at Crédit Agricole CIB's General Meeting on 30 April 2024. The components of said appropriation are listed below. Net income for the financial year ended 31 December 2023 amounted to €1,210,257,667.68. The Board of Directors has decided to advise the General Meeting to allocate this net income as follows (in euros):

Amount of profit at 31.12.2023	**1,210,257,667.68**
Attribution of profit at 31.12.2023:	
➔ to the legal reserve for (threshold of 10% of share capital reached)	0.00
Balance of profit at 31.12.2023	1,210,257,667.68
Amount of profit allocated to retained earnings at 31.12.2023	6,239,014,549.98
Amount of distributable profit	7,449,272,217.66
Dividend payout deducted from the balance of profit at 31.12.2023	171,572,794.14
Attribution of the balance of profit to retained earnings after dividend payout for	1,038,684,873.54

UNDATED FINANCIAL INSTRUMENTS

Main issues of undated deeply subordinated notes classified in other comprehensive income:

					31.12.2023			
		Amount in currency at 31.12.2022	Partial repurchases and redemptions	Amount in currency at 31.12.2023	Amount in euros at inception rate	Interests paid - Group share - Cumulated	Issuance costs net of taxes	Impact of Equity Group share cumulated
Issue date	Currency	In millions of units	In millions of units	In millions of units	In millions of euros	In millions of euros	In millions of euros	In millions of euros
11/16/2015	EUR	600	-	600	600	819	-	(219)
6/9/2016	USD	720	-	720	635	432	-	203
6/27/2018	EUR	500	-	500	500	158	-	342
9/24/2018	EUR	500	-	500	500	139	-	361
2/26/2019	USD	470	-	470	414	143	-	271
6/18/2019	EUR	300	-	300	300	73	-	227
1/27/2020	EUR	500	-	500	500	83	-	417
2/4/2021	USD	730	-	730	609	125	-	484
3/23/2021	EUR	200	-	200	200	19	-	181
3/23/2021	EUR	400	-	400	400	38	-	362
6/23/2021	EUR	220	-	220	220	20	-	200
6/23/2021	EUR	930	-	930	930	80	-	850
6/25/2021	EUR	1,500	-	1,500	1,500	132	-	1,368
3/28/2022	EUR	450	-	450	450	43	-	407
3/28/2022	EUR	500	-	500	500	47	-	453
6/30/2022	EUR	150	-	150	150	17	-	133
9/28/2022	EUR	330	-	330	330	35	-	295
9/28/2022	EUR	100	-	100	100	11	-	89
12/5/2022	EUR	300	-	300	300	23	-	277
12/5/2022	EUR	250	-	250	250	19	-	231
12/23/2022	EUR	600	-	600	600	47	-	553
12/15/2023	EUR	-	-	270	270	-	-	270
TOTAL					**10,258**	**2,503**	**-**	**7,755**

At 31 December 2022, issues amounted to €9,988 million in progress and - €1,810 million in aggregate remuneration Group share.

The undated subordinated and deeply subordinated debt issues classified in Group share of shareholders' equity break down as follows:

In millions of euros	31.12.2023	31.12.2022
Undated deeply subordinated notes		
Interests paid accounted as reserves	(693)	(463)
Income tax savings related to interest paid to security holders recognised in net income	179	120

6.17 Breakdown of financial assets and liabilities by contractual maturity

The breakdown of on-balance sheet financial assets and liabilities is shown by contractual maturity date.

The maturities of derivative instruments held for trading and for hedging are their date of contractual maturity.

Equity instruments by nature have no contractual maturity and are classified as “Undetermined”.

	31.12.2023					
In millions of euros	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Indefinite	Total
Cash, central banks	77,175	-	-	-	-	**77,175**
Financial assets at fair value through profit or loss	143,761	46,761	67,211	79,920	12,057	**349,710**
Hedging derivative Instruments	1,711	250	258	52	-	**2,271**
Financial assets at fair value through other comprehensive income	486	1,168	6,798	1,743	363	**10,558**
Financial assets at amortised cost	100,926	53,971	84,692	25,820	-	**265,410**
Revaluation adjustment on interest rate hedged portfolios	-	-	-	-	-	**-**
TOTAL FINANCIAL ASSETS BY MATURITY	**324,059**	**102,150**	**158,959**	**107,535**	**12,420**	**705,124**
Central banks	27	-	-	-	-	**27**
Financial liabilities at fair value through profit or loss	128,072	40,408	91,846	90,161	-	**350,487**
Hedging derivative Instruments	3,661	254	78	-	-	**3,993**
Financial liabilities at amortised cost	243,056	44,251	29,311	4,039	-	**320,657**
Subordinated debt	-	-	1,003	3,251	-	**4,254**
Revaluation adjustment on interest rate hedged portfolios	(191)	-	-	-	-	**(191)**
TOTAL FINANCIAL LIABILITIES BY MATURITY	**374,625**	**84,913**	**122,238**	**97,451**	**-**	**679,227**

	31.12.2022					
In millions of euros	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Indefinite	Total
Cash, central banks	78,711	-	-	-	-	**78,711**
Financial assets at fair value through profit or loss	116,022	36,259	57,152	80,344	5,715	**295,492**
Hedging derivative Instruments	1,649	428	451	83	-	**2,611**
Financial assets at fair value through other comprehensive income	1,699	3,523	3,893	1,238	419	**10,772**
Financial assets at amortised cost	96,597	69,938	82,063	25,796	2	**274,396**
Revaluation adjustment on interest rate hedged portfolios	-	-	-	-	-	**-**
TOTAL FINANCIAL ASSETS BY MATURITY	**294,678**	**110,148**	**143,559**	**107,461**	**6,136**	**661,982**
Central banks	33	-	-	-	-	**33**
Financial liabilities at fair value through profit or loss	109,928	24,489	70,006	98,893	-	**303,316**
Hedging derivative Instruments	4,538	410	190	3	-	**5,141**
Financial liabilities at amortised cost	243,049	43,390	43,226	5,356	-	**335,021**
Subordinated debt	-	-	751	3,542	-	**4,293**
Revaluation adjustment on interest rate hedged portfolios	(368)	-	-	-	-	**(368)**
TOTAL FINANCIAL LIABILITIES BY MATURITY	**357,180**	**68,289**	**114,173**	**107,794**	**-**	**647,436**

NOTE 7: EMPLOYEE BENEFITS AND OTHER REMUNERATION

7.1 Breakdown of payroll expenses

In millions of euros	31.12.2023	31.12.2022
Salaries [1]	(2,048)	(1,849)
Contributions to defined-contribution plans	(104)	(98)
Contributions to defined-benefit plans	(28)	(25)
Other social security expenses	(470)	(396)
Profit-sharing and incentive plans	(53)	(49)
Payroll-related tax	(46)	(41)
TOTAL EMPLOYEE EXPENSES	**(2,749)**	**(2,458)**

[1] Of which expenses related to share-based payments for €86.5 million at 31 December 2023 versus €61 million at 31 December 2022.

7.2 Average headcount for the period

Average number of employees	31.12.2023	31.12.2022
France	5,641	5,366
International	7,041	6,916
TOTAL	**12,682**	**12,282**

7.3 Post-employment benefits, defined-contribution plans

There are various mandatory pension plans to which employers contribute. The funds are managed by independent organisations and the contributing companies have no legal or implied obligation to pay additional contributions if the funds do not have sufficient assets to provide all the benefits corresponding to the services rendered by staff during the current and previous years. Consequently, Crédit Agricole CIB has no liability in this respect other than contributions payable.

Within Crédit Agricole CIB, there are several compulsory defined contribution plans, the main ones being Agirc/Arrco, which are French supplementary pension plans, notably supplemented by a "PER O - *Plan de Retraite Obligatoire*" type supplementary plan.

7.4 Post-employment benefits, defined-benefit plans

CHANGE IN ACTUARIAL LIABILITIES

	31.12.2023			31.12.2022
In millions of euros	Eurozone	Outside Eurozone	All Zones	All Zones
Actuarial liability at 31.12.N-1	**141**	**1,354**	**1,495**	**1,965**
Translation adjustments	-	52	52	29
Cost of service rended during the period	8	26	34	41
Financial cost	5	42	47	21
Employee contributions	-	17	17	16
Benefit plan changes, withdrawals and settlement	(3)	-	(3)	-
Changes in scope	(1)	-	(1)	1
Benefits paid (mandatory)	(9)	(74)	(83)	(101)
Tax, administrative costs and bonuses	-	-	-	-
Actuarial gains/(losses) arising from changes in demographic assumptions [1]	-	(1)	(1)	50
Actuarial gains/(losses) arising from changes in financial assumptions [1]	5	81	86	(527)
ACTUARIAL LIABILITY AT CLOSING	**146**	**1,497**	**1,643**	**1,495**

[1] Of which actuarial gains/losses related to experience adjustment.

BREAKDOWN OF EXPENSE RECOGNISED IN PROFIT OR LOSS

	31.12.2023			31.12.2022
In millions of euros	Eurozone	Outside Eurozone	All Zones	All Zones
Service cost	5	27	32	42
Income/expenses on net interests	4	-	4	2
IMPACT IN PROFIT AND LOSS AT CLOSING	**9**	**27**	**36**	**44**

BREAKDOWN OF NET INCOME AND OTHER COMPREHENSIVE INCOME THAT CANNOT BE RECLASSIFIED TO PROFIT OR LOSS

	31.12.2023			31.12.2022
In millions of euros	Eurozone	Outside Eurozone	All Zones	All Zones
Revaluation from net liabilities (from net assets)				
Total amount of actuarial gains or losses recognised in OCI that will not be reclassified to profit and loss at opening	**83**	**108**	**191**	**336**
Translation adjustments	-	(1)	(1)	(1)
Actuarial gains/(losses) on assets	(1)	(14)	(15)	333
Actuarial gains/(losses) arising from changes in demographic assumptions [1]	-	(1)	(1)	50
Actuarial gains/(losses) arising from changes in financial assumptions [1]	5	81	86	(527)
Adjustment of assets restriction's impact	-	-	-	-
TOTAL AMOUNT OF ACTUARIAL GAINS OR LOSSES RECOGNISED IN OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS AT END OF PERIOD	**4**	**65**	**69**	**(145)**

[1] *Of which actuarial gains/losses related to experience adjustment.*

CHANGE IN FAIR VALUE OF ASSETS

	31.12.2023			31.12.2022
In millions of euros	Eurozone	Outside Eurozone	All Zones	All Zones
Fair value of assets at opening	**17**	**1,332**	**1,349**	**1,643**
Translation adjustments	-	50	50	22
Interests on asset (income)	1	42	43	19
Actuarial gains/(losses)	-	15	15	(333)
Employer contributions	-	27	27	73
Employee contributions	-	17	17	16
Benefit plan changes, withdrawals and settlement	-	-	-	-
Changes in scope	-	-	-	-
Tax, administrative costs and bonuses	-	(1)	(1)	-
Benefits paid out under the benefit plan	(1)	(73)	(74)	(91)
FAIR VALUE OF ASSETS AT CLOSING	**17**	**1,409**	**1,426**	**1,349**

NET POSITION

	31.12.2023			31.12.2022
In millions of euros	Eurozone	Outside Eurozone	All Zones	All Zones
Closing actuarial liability	**146**	**1,497**	**1,643**	**1,495**
Impact of asset restriction	-	-	-	-
Fair value of assets at end of period	(17)	(1,409)	(1,426)	(1,348)
NET POSITION OF ASSETS/(LIABILITIES) AT END OF PERIOD	**129**	**88**	**217**	**147**

DEFINED-BENEFIT PLANS: MAIN ACTUARIAL ASSUMPTIONS

	31.12.2023		31.12.2022	
In percentage	Eurozone	Outside Eurozone	Eurozone	Outside Eurozone
Discount rate [1]	3.14%	2.77%	3.51%	3.19%
Actual return on plan assets and on reimbursement rights	3.93%	3.68%	4.35%	(20.35)%
Expected salary increase rates [2]	1.78%	1.75%	0.59%	1.73%
Rate of change in medical costs	0.00%	0.00%	0.00%	0.00%

[1] *Discount rates are determined depending on the average period of the commitment, i.e. the arithmetic average of the periods calculated between the date of valuation and the date of payment weighted by staff turnover assumptions. The underlying item is the discount rate based on the iBoxx index.*

[2] *Depending on the populations in question (managers or non-managers).*

INFORMATION ON PLAN ASSETS - ALLOCATION OF ASSETS [1]

	Eurozone			Outside Eurozone			All Zones		
In millions of euros	%	Amount	Of which listed	%	Amount	Of which listed	%	Amount	Of which listed
Equities	0.22%	-	-	29.01%	409	409	28.67%	409	409
Bonds	1.96%	-	-	39.39%	555	555	38.95%	555	555
Property/Real estate	0.13%	-		11.12%	157		10.99%	157	
Other assets	97.69%	16		20.48%	289		21.38%	305	

(1) Of which fair value of reimbursement rights.

Crédit Agricole CIB's employee benefit coverage policy complies with local financing rules in countries where minimum funding is required.

Overall, Crédit Agricole CIB covered **86.78%** of its employee benefit obligations at 31 December 2023.

At 31 December 2023, the sensitivity analysis showed that:

- a 50-basis point increase in discount rates would reduce the commitment by **-6.37%**;
- a 50-basis point decrease in discount rates would increase the commitment by **6.84%**.

7.5 Other employee benefits

In France, the Group's main entities pay bonuses for long-service awards. The amounts vary according to current practices and collective agreements. The provisions booked by Crédit Agricole CIB in respect of these other employee benefit obligations amounted to €7.5 million at 31 December 2023.

7.6 Share-based payments

7.6.1 STOCK OPTION PLAN

No new plans were implemented in 2023 by Crédit Agricole CIB.

7.6.2 CAPITAL INCREASE RESERVED FOR CURRENT AND RETIRED EMPLOYEES OF THE CRÉDIT AGRICOLE GROUP

In 2023, Crédit Agricole S.A. offered current and retired Group employees the option to subscribe for a new capital increase reserved for them. This transaction was launched in 9 of the countries where Crédit Agricole CIB operates. It has no significant impact for Crédit Agricole CIB.

7.6.3 DEFERRED VARIABLE COMPENSATION PAID IN SHARES OR CASH INDEXED TO THE SHARE PRICE

The deferred variable compensation plans implemented by the Crédit Agricole CIB group in respect of 2023 are settled partially in cash indexed to the Crédit Agricole S.A. share price.

These plans are subject to permanent vesting conditions (continued employment, performance and specific provisions for identified staff, relating to the professional behaviour of beneficiaries) and their payment is deferred in equal amounts over three, four, five years or seven years.

The expense related to these plans is recognised in employee expenses. It is staggered on a straight-line basis over the vesting period to reflect continued employment and a liability is recorded in employee expenses, the amount of which is subject to periodic revaluation through profit or loss until the settlement date, depending on the change in the Crédit Agricole S.A. share price and the vesting conditions (continued employment and performance conditions).

7.7 Remuneration of senior managers

Senior managers of Crédit Agricole CIB include all members of the Executive Committee of Crédit Agricole CIB.

The composition of the Executive Committee is detailed in the Corporate Governance chapter of this Universal Registration Document.

The compensation paid and benefits granted to the members of the Executive Committee in 2023 were as follows:

- Short-term benefits: €11.42 million for fixed and variable compensation (o/w €2.2 million paid in share-indexed instruments), including social security expenses and benefits in kind;
- Post-employment benefits at 31 December 2023: €5.6 million for end-of-career benefit commitments and the supplementary pension plan set up for the Group's Senior Executive Officers;
- Other long-term benefits: the amount granted for long-service awards was not material;
- Other share-based payment: not applicable.

Total Directors' fees paid to members of Crédit Agricole CIB's Board of Directors in 2023 in consideration for serving as Directors of Crédit Agricole CIB amounted to €569,825.

NOTE 8: LEASES

8.1 Leases for which the Crédit Agricole CIB group is the lessee

"Operating property, plant & equipment" in the balance sheet is made up of owned assets and leased assets, which do not meet the definition of investment property.

In millions of euros	31.12.2023	31.12.2022
Owned property, plant & equipment	546	486
Right-of-use on lease contracts	562	452
Total Property, plant & equipment used in operations	**1,108**	**938**

Crédit Agricole CIB is also a lessee in 1 to 3 year leases of computer equipment (photocopiers, computers, etc.). These contracts are of low value and/or short-term. Crédit Agricole CIB has chosen to apply the exemptions stipulated by IFRS 16 and to not recognise the right-of-use assets neither lease liabilities on these leases in the balance sheet.

CHANGE IN RIGHT-OF-USE ASSETS

Crédit Agricole CIB leases multiple assets, including offices and computer equipment.

Information relating to leases in which Crédit Agricole CIB is a lessee is provided below:

In millions of euros	31.12.2022	Change in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Other movements	31.12.2023
Property/Real estate							
Gross amount	820	-	240	(140)	(9)	-	911
Depreciation and impairment	(378)	-	(100)	116	2	-	(360)
Total Property/Real estate	**442**	**-**	**140**	**(24)**	**(7)**	**-**	**551**
Equipment							
Gross amount	23	-	7	(9)	-	-	21
Depreciation and impairment	(13)	-	(6)	9	-	-	(10)
Total Equipment	**10**	**-**	**1**	**-**	**-**	**-**	**11**
Total Right-of-use	**452**	**-**	**141**	**(24)**	**(7)**	**-**	**562**

In millions of euros	31.12.2021	Change in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Other movements	31.12.2022
Property/Real estate							
Gross amount	668	4	200	(57)	5	-	820
Depreciation and impairment	(302)	(3)	(119)	50	(4)	-	(378)
Total Property/Real estate	**366**	**1**	**81**	**(7)**	**1**	**-**	**442**
Equipment							
Gross amount	23	-	6	(6)	-	-	23
Depreciation and impairment	(13)	-	(6)	6	-	-	(13)
Total Equipment	**10**	**-**	**-**	**-**	**-**	**-**	**10**
Total Right-of-use	**376**	**1**	**81**	**(7)**	**1**	**-**	**452**

SCHEDULE OF LEASE LIABILITIES

	31.12.2023			
In millions of euros	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total Lease liabilities
Lease liabilities	**90**	259	245	594

	31.12.2022			
In millions of euros	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total Lease liabilities
Lease liabilities	**105**	220	150	475

BREAKDOWN OF LEASE EXPENSES AND INCOME

In millions of euros	31.12.2023	31.12.2022
Interest expense on lease liabilities	(19)	(8)
Total Interest and similar expenses (Revenues)	**(19)**	**(8)**
Expense relating to short-term leases	(7)	(7)
Expense relating to leases of low-value assets	(5)	(10)
Expense relating to variable lease payments not included in the measurement of lease liabilities	-	-
Income from subleasing right-of-use assets	-	-
Gains or losses arising from leaseback transactions	-	-
Gains or losses arising from lease modifications	-	1
Total Operating expenses	**(12)**	**(16)**
Depreciation for right-of-use	(105)	(125)
Total Depreciation and amortisation of property, plant & equipment	**(105)**	**(125)**
Total Expense and income on lease contracts	**(136)**	**(149)**

AMOUNTS OF CASH FLOWS FOR THE PERIOD

In millions of euros	31.12.2023	31.12.2022
Total Cash outflow for leases	**(133)**	(154)

8.2 Leases for which the Crédit Agricole CIB group is the lessor

Crédit Agricole CIB only offers its customers rental contracts that are classified as operating leases.

INCOME FROM LEASES

In millions of euros	31.12.2023	31.12.2022
Finance leases	**-**	**-**
Selling profit or loss	-	-
Finance income on the net investment in the lease	-	-
Income relating to variable lease payments	-	-
Operating leases	**15**	**14**
Lease income	15	14

NOTE 9: COMMITMENTS GIVEN AND RECEIVED AND OTHER GUARANTEES

The commitments given and received and other guarantees include discontinued operations.

COMMITMENTS GIVEN AND RECEIVED

In millions of euros	31.12.2023	31.12.2022
Commitments given	**242,513**	**217,891**
Financing commitments	**142,714**	**131,071**
Commitments given to credit institutions	6,083	5,857
Commitments given to customers	136,631	125,214
Guarantee commitments	**89,272**	**79,692**
Commitments given to credit institutions	7,522	8,574
Commitments given to customers	81,750	71,118
Securities commitments	**10,527**	**7,128**
Securities to be delivered	10,527	7,128
Commitments received	**196,757**	**193,626**
Financing commitments	**1,432**	**935**
Commitments received from credit institutions	536	508
Commitments received from customers	896	427
Guarantee commitments	**185,287**	**186,713**
Commitments received from credit institutions	8,718	8,065
Commitments received from customers [1]	176,569	178,648
Securities commitments	**10,038**	**5,978**
Securities to be received	10,038	5,978

[1] At 31 December 2023, under the economic stimulus plan implemented in response to the Covid-19 health crisis, Crédit Agricole CIB granted government-backed loans for which it received guarantee commitments from the French State in the amount of €249 million.

On 23 March 2022, the Governing Council of the European Central Bank decided to gradually lift temporary monetary policy easing measures introduced in response to the Covid-19 pandemic.

Against this backdrop, as of 30 June 2023, the Banque de France terminated the eligibility of residential real estate loans under the exceptional arrangements put in place in 2011 in response to the financial crisis and amended the decision of the Governor 2022-04 of 30 June 2022 accordingly.

Crédit Agricole CIB, which does not post real estate receivables with the Banque de France, is not affected by this change.

FINANCIAL INSTRUMENTS GIVEN AND RECEIVED AS COLLATERAL

In millions of euros	31.12.2023	31.12.2022
Carrying amount of financial assets provided as collateral (including transferred assets)		
Securities and receivables provided as collateral for the refinancing structures (Banque de France, CRH, etc.)	94,047	69,439
Securities lent	7	3
Security deposits on market transactions	31,291	48,563
Other security deposits	-	-
Securities sold under repurchase agreements	116,633	82,744
TOTAL CARRYING AMOUNT OF FINANCIAL ASSETS PROVIDED AS COLLATERAL	**241,978**	**200,749**
Carrying amount of financial assets received in garantee		
Other security deposits	-	-
Fair value of instruments received as reusable and reused collateral		
Securities borrowed	8	8
Secutities bought under repurchase agreements	201,380	155,373
Securities sold short	55,843	37,179
TOTAL FAIR VALUE OF INSTRUMENTS RECEIVED AS REUSABLE AND REUSED COLLATERAL	**257,231**	**192,560**

RECEIVABLES PLEDGED AS COLLATERAL

In 2023, Crédit Agricole CIB deposited €8.43 billion in receivables as collateral either directly or as part of the Crédit Agricole Group's contribution to various refinancing mechanisms, compared with €9.87 billion in 2022. Crédit Agricole CIB retains all the risks and rewards associated with these receivables.

Moreover, Crédit Agricole CIB contributed €2.75 billion in receivables with the United States Federal Reserve (FED) versus €2.62 billion in 2022.

GUARANTEES HELD AND ASSETS RECEIVED AS COLLATERAL

The guarantees and enhancements held mainly consist of mortgages, pledges and guarantees received, regardless of the quality of the assets guaranteed.

The guarantees held by the Crédit Agricole CIB group that it is authorised to sell or use as collateral amounted to €257 billion at 31 December 2023, versus €192 billion at 31 December 2022. They are primarily made up of repos.

Crédit Agricole CIB policy is to sell seized collateral as soon as possible. Crédit Agricole CIB had no such assets either at 31 December 2023 or at 31 December 2022.

NOTE 10: RECLASSIFICATION OF FINANCIAL INSTRUMENTS

Principles applied by Crédit Agricole CIB

Instruments are only reclassified under exceptional circumstances following a decision by Crédit Agricole CIB's Executive Management as a result of internal or external changes that are material to Crédit Agricole CIB's activity.

Reclassifications by Crédit Agricole CIB

In 2023, the Crédit Agricole CIB group did not carry out any reclassifications within the meaning of paragraph 4.4.1 of IFRS 9.

NOTE 11: FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received for the sale of an asset or paid for the transfer of a liability in an arm's length transaction between market participants on the valuation date.

Fair value is defined based on the exit price.

The fair values given below are estimates made on the reporting date using observable market data wherever possible. They are liable to change in the future due to changes in market conditions or other factors.

The calculations are best estimates. They are based on a number of assumptions. Market participants are assumed to act in their best economic interests.

As these models contain uncertainties, the fair values used may not be realised when the financial instruments in question are actually sold or if they are immediately settled.

The fair value hierarchy for financial assets and liabilities is broken down according to the observability of the inputs used for their valuation in line with the principles defined by IFRS 13.

Fair value hierarchy Level 1 applies to the fair value of financial assets and liabilities listed on active markets.

Fair value hierarchy Level 2 applies to the fair value of financial assets and liabilities with observable inputs. This includes market data relating to interest rate risk or credit risk where they can be measured from observable Credit Default Swap (CDS) spread quotes. Repurchase agreements listed on an active market, based on the underlying and the maturity of the transaction, may also be included in level 2 of the hierarchy, as are financial assets and liabilities with a demand component whose fair value is equal to the unadjusted amortised cost.

Level 3 of the hierarchy indicates the fair value of financial assets and liabilities for which there is no observable data or for which some inputs can be remeasured with internal models using historical data.

In some cases, market values may be close to the carrying amounts. This applies primarily to:

- floating-rate assets or liabilities whose fair value is not significantly affected by changes in interest rates, as their rates are frequently adjusted to market rates;
- short-term assets or liabilities whose redemption value is considered to be close to market value;
- demand assets or liabilities;
- transactions for which there are no reliable observable data.

11.1 Fair value of financial assets and liabilities recognised at amortised cost

IFRS 7 requires information on financial instruments that are not recognised at fair value.

The amounts presented in "carrying amount" of the financial instruments concerned include related receivables and payables and are, for assets, net of impairment. In addition, the carrying amount of the tables includes the fair value of the hedged portion of micro-hedged fair value hedges (see Note 3.5 to these consolidated financial statements). However, the carrying amount of the items presented in this table does not include the revaluation adjustment on interest rate hedged portfolios.

As a reminder, financial assets with SPPI characteristics must be recognised at amortised cost if they are managed in a portfolio whose management objective is to collect contractual cash flows over the life of the assets and whose sales are strictly controlled and limited. Moreover, to be eligible for this category, they must meet two criteria, in addition to this management method, when the financing gives entitlement only to the repayment of the principal and when the payment of the interest received reflects the time value of the money, the credit risk associated with the instrument, the other costs and risks of a traditional loan agreement as well as a reasonable margin, whether the interest rate is fixed or variable (Solely Payments of Principal & Interests test or SPPI test).

As such, information relating to the fair value of these instruments must be analysed with particular attention:

- The fair values shown represent an estimate of the market value at 31 December 2023. However, these market values may be subject to changes depending on market parameters, including changes in interest rates and the quality of counterparty credit risk. Given their business model, derecognition, which, barring an exception explicitly provided for by IFRS 9, must occur at or close to maturity, should be carried out at a value close to the redemption value of these instruments.

  Thus, the difference between the fair value indication and its carrying amount does not represent a realisable value from a business continuity perspective.
- Given the business model consisting of collecting the cash flows of the financial instruments in the portfolio to which it belongs, it is recalled that these financial instruments are not managed according to changes in their fair value and that the performance of these assets is assessed on the basis of the contractual cash flows received over the life of the instrument.
- The estimation of the indicative fair value of instruments carried at amortised cost is subject to the use of valuation models, particularly loans and receivables due from customers and, more specifically, those whose valuation is based on Level 3 unobservable data.

FAIR VALUE OF FINANCIAL ASSETS RECOGNISED AT AMORTISED COST IN THE BALANCE SHEET

In millions of euros	Value at 31.12.2023	Estimated fair value at 31.12.2023	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Loans and receivables	**230,982**	**232,590**	**-**	**63,480**	**169,110**
Loans and receivables due from credit institutions	58,358	58,838	-	58,621	217
Loans and receivables due from customers	172,624	173,752	-	4,859	168,893
Debt securities	**34,428**	**34,432**	**21,897**	**730**	**11,805**
TOTAL FINANCIAL ASSETS OF WHICH FAIR VALUE IS DISCLOSED	**265,410**	**267,022**	**21,897**	**64,210**	**180,915**

The revaluation difference on the asset side of the balance sheet amounted to -€0.07 million at 31 December 2023 compared with €0 million at 31 December 2022. Taking this revaluation into account, the difference between the indicative fair value and the carrying amount on the asset side would be €1,612 million at 31 December 2023.

In millions of euros	Value at 31.12.2022	Estimated fair value at 31.12.2022	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Loans and receivables	**239,680**	**240,295**	**-**	**66,897**	**173,398**
Loans and receivables due from credit institutions	60,494	60,525	-	60,348	177
Loans and receivables due from customers	179,186	179,770	-	6,549	173,221
Debt securities	**34,716**	**34,867**	**19,656**	**1,443**	**13,768**
TOTAL FINANCIAL ASSETS OF WHICH FAIR VALUE IS DISCLOSED	**274,396**	**275,162**	**19,656**	**68,340**	**187,166**

FAIR VALUE OF FINANCIAL LIABILITIES RECOGNISED AT AMORTISED COST IN THE BALANCE SHEET

In millions of euros	Value at 31.12.2023	Estimated fair value at 31.12.2023	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Due to credit institutions	67,365	67,365	-	67,365	-
Due to customers	183,332	183,332	-	183,330	2
Debt securities	69,960	69,976	-	69,976	-
Subordinated debt	4,254	4,254	-	4,254	-
TOTAL FINANCIAL LIABILITIES OF WHICH FAIR VALUE IS DISCLOSED	**324,911**	**324,927**	**-**	**324,925**	**2**

The revaluation difference on the liabilities side of the balance sheet amounted to -€191 million at 31 December 2023 compared with -€368 million at 31 December 2022. Taking this revaluation into account, the difference between the indicative fair value and the carrying amount in liabilities would be €207 million at 31 December 2023.

In millions of euros	Value at 31.12.2022	Estimated fair value at 31.12.2022	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Due to credit institutions	79,781	79,781	-	79,376	405
Due to customers	186,851	186,851	-	186,793	58
Debt securities	68,389	68,392	-	68,392	-
Subordinated debt	4,293	4,293	-	4,293	-
TOTAL FINANCIAL LIABILITIES OF WHICH FAIR VALUE IS DISCLOSED	**339,314**	**339,317**	**-**	**338,854**	**463**

11.2 Information about financial instruments measured at fair value

Market transactions are valued by management information systems and checked by a team that reports to the Risk Division and is independent from market operators.

Valuations are made using:

- prices or inputs obtained from independent sources and/or controlled by the Market Risk Department using all the sources available (pricing service vendors, market consensus data, brokers, etc.);
- models validated by the Market Risk Department's quantitative teams.

The valuation produced for each instrument is a mid-market valuation, which does not take into account the direction of the trade, the bank's aggregate exposure, market liquidity or counterparty quality. Adjustments are then made to the market valuations to incorporate these factors and the potential uncertainties inherent in the models or inputs used.

The main types of valuation adjustments are as follows:

Mark-to-market adjustments: these adjustments aim to adjust for the potential variance between the mid-market valuation of an instrument arrived at using internal valuation models and the associated inputs and the valuation determined from external sources or market consensus data. These adjustments may be positive or negative;

Bid/ask adjustments: these adjustments aim to incorporate the bid/ask spread in the valuation of a given instrument to reflect the price at which the position could be reversed. These adjustments are always negative;

Adjustments for uncertainty: these adjustments account for a risk premium as considered by any market participant. These adjustments are always negative:

- adjustments for input uncertainty aim to incorporate any uncertainties that may exist in relation to one or more of the inputs used in the valuation of an instrument;
- adjustments for model uncertainty aim to incorporate any uncertainties that may exist in relation to one or more of the inputs used in the valuation of an instrument.

Furthermore, and in accordance with IFRS 13 "Fair Value Measurement", Crédit Agricole CIB includes in the fair value calculation of its OTC derivatives (over-the-counter) various adjustments relating to:

- default or credit quality risk (Credit Valuation Adjustment/Debit Valuation Adjustment);
- future financing costs and gains (Funding Valuation Adjustment/ Initial Margin Valuation Adjustment/Colateral Valuation Adjustment);
- liquidity risk associated with collateral (Liquidity Valuation Adjustment).

CVA ADJUSTMENT

The Credit Valuation Adjustment (CVA) is a mark-to-market adjustment that aims to price the market value of our counterparties' default risk (risk that amounts due to us will not be repaid if counterparties default or their creditworthiness deteriorates) into the value of OTC derivatives. This adjustment is calculated for each counterparty based on the trading portfolio's positive future exposure profiles (taking into account any netting or collateral agreements, where applicable) weighted by the probability of default and the losses incurred in the event of default.

The methodology used maximises the use of inputs/market price (the probability of default is preferably directly deduced from listed CDS, listed CDS proxies, or other credit instruments if they are deemed to be sufficiently liquid). This adjustment is always negative and reduces the fair value of the OTC derivative assets held in the portfolio.

DVA ADJUSTMENT

The Debit Valuation Adjustment (DVA) is a mark-to-market adjustment that aims to price the market value of our own default risk (potential losses to which Crédit Agricole CIB may expose its counterparties if it defaults or its creditworthiness deteriorates) into the value of OTC derivatives. This adjustment is calculated for each type of collateral contract based on the trading portfolio's negative future exposure profiles weighted by the probability of default (of Crédit Agricole S.A.) and the losses incurred in the event of default.

The methodology used maximises the use of inputs/market price (use of Crédit Agricole S.A. CDS to determine the probability of default). This adjustment is always positive and reduces the fair value of the OTC derivative liabilities held in the portfolio.

FVA ADJUSTMENT

The Funding Valuation Adjustment (FVA) is a mark-to-market adjustment that aims to price the additional future funding costs and benefits based on the cost of Asset & Liability Management (ALM) funding into the fair value of OTC derivatives that are not collateralised, or not fully collateralised. This adjustment is calculated for each counterparty based on the trading portfolio's positive future exposure profiles (taking into account any netting or collateral agreements, where applicable) weighted by ALM funding spreads.

For "cleared" derivatives perimeter, an FVA adjustment known as an IMVA (Initial Margin Value Adjustment) is calculated to take into account the future funding costs and benefits for the initial margins to be posted with the main derivative clearing houses until the portfolio matures.

COLVA ADJUSTMENT

The ColVA (Collateral Valuation Adjustment) is a mark-to-market adjustment that aims to price into the fair value of OTC derivatives collateralised by non-government securities the additional future funding costs and benefits based on the cost of the refinancing of these securities (on the repo market). This adjustment is calculated by counterparty on the basis of the future exposure profiles of the trade portfolio weighted by a specific spread.

Depending on the case, this adjustment may take the form of a specific provision or be included in the mark-to-market via a specific discount curve.

LVA ADJUSTMENT

The LVA (Liquidity Valuation Adjustment) is a positive or negative valuation adjustment aimed at pricing in both the potential absence of collateral payment for counterparties with a CSA (Credit Support Annex) and the non-standard remuneration from CSAs.

The LVA therefore factors in the gain or loss resulting from the additional liquidity costs. It is calculated for OTC derivatives with a CSA.

BREAKDOWN OF FINANCIAL INSTRUMENTS AT FAIR VALUE BY VALUATION MODEL

▶ Financial assets measured at fair value

In millions of euros	31.12.2023	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Financial assets held for trading	**349,401**	**47,528**	**284,321**	**17,552**
Loans and receivables due from credit institutions	1,346	-	1,331	15
Loans and receivables due from customers	654	-	-	654
Securities bought under repurchase agreements	162,015	-	151,788	10,227
Pledged securities	-	-	-	-
Held for trading securities	51,685	47,503	3,338	844
Derivative instruments	133,701	25	127,864	5,812
Other financial instruments at fair value through profit or loss	**309**	**78**	**29**	**202**
Equity instruments at fair value through profit or loss	**275**	**75**	**-**	**200**
Debt instruments that do not meet the conditions of the “SPPI” test [1]	**34**	**3**	**29**	**2**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	-	-	-	-
Debt securities	34	3	29	2
Other debt instruments measured by definition at fair value through profit or loss	**-**	**-**	**-**	**-**
Financial assets designated at fair value through profit or loss	**-**	**-**	**-**	**-**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	-	-	-	-
Debt securities	-	-	-	-
Financial assets at fair value through other comprehensive income	**10,558**	**9,641**	**602**	**315**
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	**363**	**48**	**-**	**315**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit and loss	**10,195**	**9,593**	**602**	**-**
Hedging derivative Instruments	**2,271**	**-**	**2,271**	**-**
TOTAL FINANCIAL ASSETS MEASURED AT FAIR VALUE	**362,539**	**57,247**	**287,223**	**18,069**
Transfers from Level 1: Quoted prices in active markets for identical instruments			276	26
Transfers from Level 2: Valuation based on observable data		364		1,392
Transfers from Level 3: Valuation based on unobservable data		6	2,029	
TOTAL TRANSFERS TO EACH LEVEL		**370**	**2,305**	**1,418**

[1] The amount of UCITS was €18 million at 31 December 2023 and is classified as Level 1 and Level 2 for €3 million and €15 million, respectively.

Transfers between Level 1 and Level 2 mainly concern treasury bills and bonds and other fixed-income securities.

Transfers between Level 1 and Level 3 mainly concern trading securities.

Transfers from Level 2 to Level 3 mainly concern trading derivatives. The review of the observability mapping led to the reclassification of €881 million from Level 2 to Level 3 on derivative instruments and €134 million on securities bought under repurchase agreements.

Transfers from Level 3 to Level 2 mainly concern the securities of customers and credit institutions received under repurchase agreements and trading derivatives.

In millions of euros	31.12.2022	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Financial assets held for trading	**295,043**	**23,059**	**259,531**	**12,453**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	1,647	-	1	1,646
Securities bought under repurchase agreements	112,816	-	107,730	5,086
Pledged securities	-	-	-	-
Held for trading securities	25,370	23,022	1,766	582
Derivative instruments	155,210	37	150,034	5,139
Other financial instruments at fair value through profit or loss	**449**	**67**	**8**	**374**
Equity instruments at fair value through profit or loss	**264**	**62**	**3**	**199**
Debt instruments that do not meet the conditions of the "SPPI" test [1]	**185**	**5**	**5**	**175**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	162	-	-	162
Debt securities	23	5	5	13
Other debt instruments measured by definition at fair value through profit or loss	**-**	**-**	**-**	**-**
Financial assets designated at fair value through profit or loss	**-**	**-**	**-**	**-**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	-	-	-	-
Debt securities	-	-	-	-
Financial assets at fair value through other comprehensive income	**10,772**	**9,729**	**775**	**268**
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	**336**	**67**	**1**	**268**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit and loss	**10,436**	**9,662**	**774**	**-**
Hedging derivative Instruments	**2,611**	**-**	**2,611**	**-**
TOTAL FINANCIAL ASSETS MEASURED AT FAIR VALUE	**308,875**	**32,855**	**262,925**	**13,095**
Transfers from Level 1: Quoted prices in active markets for identical instruments			435	6
Transfers from Level 2: Valuation based on observable data		875		948
Transfers from Level 3: Valuation based on unobservable data		-	961	
TOTAL TRANSFERS TO EACH LEVEL		**875**	**1,396**	**954**

[1] The amount of UCITS was €10 million at 31 December 2022 and is classified as Level 1 and Level 2 for €5 million each.

Transfers from Level 1 to Level 3 are essentially shares and other variable income securities.

Transfers between Level 1 and Level 2 mainly concern treasury bills and bonds and other fixed-income securities.

Transfers from Level 2 to Level 3 are mainly the securities of credit institutions received under repurchase agreements and trading derivatives.

Transfers from Level 3 to Level 2 mainly concern the securities of customers and credit institutions received under repurchase agreements and trading derivatives.

▶ Financial liabilities measured at fair value

In millions of euros	31.12.2023	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Held for trading financial liabilities	**295,606**	**55,778**	**234,509**	**5,319**
Securities sold short	55,851	55,754	86	11
Securities sold under repurchase agreements	112,581	-	109,589	2,992
Debt securities	-	-	-	-
Due to credit institutions	-	-	-	-
Due to customers	-	-	-	-
Derivative instruments	127,174	24	124,834	2,316
Financial liabilities designated at fair value through profit or loss	**54,881**	**-**	**36,571**	**18,310**
Hedging derivative Instruments	**3,993**	**-**	**3,993**	**-**
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**354,480**	**55,778**	**275,073**	**23,629**
Transfers from Level 1: Quoted prices in active markets for identical instruments			-	10
Transfers from Level 2: Valuation based on observable data		5		1,203
Transfers from Level 3: Valuation based on unobservable data		-	1,509	
TOTAL TRANSFERS TO EACH LEVEL		**5**	**1,509**	**1,213**

Transfers to and outside of Level 3 mainly concern securities sold under repurchase agreements with credit institutions, trading derivatives and financial liabilities at fair value through profit or loss. The review of the observability mapping led during the year to the reclassification of €572 million from Level 2 to Level 3 on derivative instruments and financial liabilities designated at fair value through profit or loss as well as a reclassification of €600 million from Level 3 to Level 2 on securities sold under repurchase agreements.

Transfers between Levels 1 and 2 are mainly short sales.

In millions of euros	31.12.2022	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Held for trading financial liabilities	**274,534**	**37,152**	**232,950**	**4,432**
Securities sold short	37,187	37,116	71	-
Securities sold under repurchase agreements	81,799	-	80,037	1,762
Debt securities	-	-	-	-
Due to credit institutions	-	-	-	-
Due to customers	-	-	-	-
Derivative instruments	155,548	36	152,842	2,670
Financial liabilities designated at fair value through profit or loss	**28,782**	**-**	**19,967**	**8,815**
Hedging derivative Instruments	**5,141**	**1**	**5,140**	**-**
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**308,457**	**37,153**	**258,057**	**13,247**
Transfers from Level 1: Quoted prices in active markets for identical instruments			5	-
Transfers from Level 2: Valuation based on observable data		24		458
Transfers from Level 3: Valuation based on unobservable data		11	1,029	
TOTAL TRANSFERS TO EACH LEVEL		**35**	**1,034**	**458**

The liabilities transferred to and outside of Level 3 mainly concern securities sold under repurchase agreements with credit institutions, trading derivatives and financial liabilities designated at fair value through profit or loss.

Transfers between Levels 1 and 2 are mainly short sales.

FINANCIAL INSTRUMENTS CLASSIFIED AS LEVEL 1

Level 1 is the classification applied to derivatives traded on an active organised market (options, futures, etc.), regardless of the underlying (interest rate, exchange rate, precious metals or main equity indices) and equities and bonds listed on an active market.

A market is regarded as being active if quoted prices are readily and regularly available from exchanges, brokers, dealers, pricing services or regulatory agencies and these prices represent actual transactions regularly occurring in the market at arm's length.

Corporate, government and agency bonds that are valued based on prices obtained from independent sources that are considered to be executable and are regularly updated are classified as Level 1. This applies to the bulk of the sovereign, agency and corporate bonds held. Issuers whose bonds are not listed are classified as Level 3.

FINANCIAL INSTRUMENTS CLASSIFIED AS LEVEL 2

The main financial instruments classified as Level 2 are:

Securities received / sold under repurchase agreements

Liabilities designated at fair value

Debts issued and designated at fair value are classified as Level 2 if their embedded derivative is considered to fall under Level 2;

Over-the-counter derivatives

The main OTC derivatives classified as Level 2 are those valued using inputs considered to be observable and a valuation technique that does not generate significant exposure to model risk.

The following are therefore classified as Level 2:

- linear derivative products such as interest-rate swaps, currency swaps and forward FX. These are valued using simple models widely used by the market, based on inputs that are directly observable (foreign exchange rates and interest rates) or can be deduced from the market prices of observable products (foreign exchange swaps);
- non-linear vanilla instruments such as caps, floors, swaptions, currency options, equity options and credit default swaps, including digital options. These are measured using simple models widely used by the market, based on inputs that are directly observable (foreign exchange rates, interest rates and share prices) or can be deduced from observable market prices (volatilities);
- simple exotic single-underlying instruments such as cancellable swaps or baskets of major currencies;

  These are valued using models that are sometimes slightly more complex but are still widely used by the market. The significant inputs are observable. Prices are observable in the market, notably through broker prices. Market consensus, where applicable, supports internal valuations;
- Securities, equity options and future equity options listed on a market deemed to be inactive and for which independent valuation data is available.

FINANCIAL INSTRUMENTS CLASSIFIED AS LEVEL 3

Financial instruments classified as Level 3 are those that do not meet the conditions for classification as Level 1 or 2. They are therefore mainly financial instruments with a high model risk or products whose valuation requires the use of significant non-observable inputs.

For all new transactions classified as Level 3, a reserve is recognised on the initial recognition date for the initial margin. It is distributed in profit or loss either over the period of unobservability or over the maturity of the deal when the unobservability of the factors is not linked to maturity.

The following are therefore classified as Level 3:

Securities received / sold under repurchase agreements

Receivables due from customers

Securities

Unlisted shares or bonds for which no independent valuation is available.

Liabilities designated at fair value

Debts issued and designated at fair value are classified as Level 3 if their embedded derivative is considered to fall under Level 3.

Over-the-counter derivatives

Non-observable products are financial instruments that are complex, significantly exposed to model risk or require the use of inputs considered to be non-observable.

All of these principles are subject to an observability mapping by risk/product factor, underlying (currencies, index, etc.) and maturity indicating the classification used.

The following are most commonly classified as Level 3:

- Linear interest rate or currency products with very long maturities for major currencies, or shorter maturities for emerging currencies; this may include repurchase operations depending on the maturity of the transactions involved and their underlying assets;
- non linear interest rate or currency products with very long maturities for major currencies, or shorter maturities for emerging currencies;
- the following complex derivatives:
  - some equity derivatives: options on insufficient shallow markets or very long-dated options or products whose valuation depends on non-observable correlations between various underlying shares;
  - some exotic interest rate products whose underlying is the difference between two interest rates (structured products based on interest-rate differences or products whose correlations are not observable);
  - some products whose underlying is the forward volatility of an index. These products are deemed to be non-observable because of their significant model risk and thin liquidity, which prevent regular and accurate estimates of inputs;
  - securitisation swaps generating exposure to the prepayment rate. The prepayment rate is determined based on historical data for similar portfolios;
  - long-term interest rate/foreign exchange hybrid products of the power reverse dual currency type, or products whose underlying is a basket of foreign currencies. The inputs for the correlation between the interest rates and currencies and between the two interest rates are determined using an internal methodology based on historical data. Results are cross-checked against market consensus data to ensure that the overall method is consistent;
  - multiple-underlying products generating exposure to correlations between several risk classes (interest-rate, credit, foreign exchange, inflation and equity).

NET CHANGES IN FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE ACCORDING TO LEVEL 3

▶ Financial assets measured at fair value according to Level 3

		Financial assets held for trading					Other financial instruments at fair value through profit or loss			Financial assets at fair value through other comprehensive income	
							Equity instruments at fair value through profit or loss	Debt instruments that do not meet the conditions of the "SPPI" test			
In millions of euros	**Financial assets measured at fair value according to Level 3**	Loans and receivables due from credit institutions	Loans and receivables due from customers	Securities bought under repurchase agreements	Held-for-trading securities	Derivative instruments	Equity and other variable income securities and Non-consolidated equity investments	Loans and receivables due from customers	Debt securities	Equity instruments at fair value through other comprehensive income that will not be reclassified to profit and loss	Financial assets designated at fair value through profit or loss
CLOSING BALANCE (31.12.2022)	**13,095**	**-**	**1,646**	**5,087**	**582**	**5,139**	**198**	**162**	**13**	**268**	**-**
Gains or losses during the period [2]	(1,226)	-	(33)	(381)	(188)	(622)	(5)	-	(2)	5	-
Recognised in profit or loss	(1,168)	-	7	(381)	(188)	(602)	(2)	-	(2)	-	-
Recognised in other comprehensive income	(58)	-	(40)	-	-	(20)	(3)	-	-	5	-
Purchases	10,842	15	691	7,766	684	1,616	16	-	-	54	-
Sales	(1,735)	-	(1,352)	-	(245)	(9)	(4)	(103)	(9)	(13)	-
Issues	1	-	-	-	-	-	-	-	-	1	-
Settlements	(2,291)	-	(298)	(762)	(2)	(1,164)	(5)	(59)	-	(1)	-
Reclassifications	-	-	-	-	-	-	-	-	-	-	-
Changes associated with scope during the period	-	-	-	-	-	-	-	-	-	-	-
Transfers [1]	(617)	-	-	(1,483)	13	852	-	-	-	1	-
Transfers to Level 3	1,418	-	-	134	25	1,258	-	-	-	1	-
Transfers from Level 3	(2,035)	-	-	(1,617)	(12)	(406)	-	-	-	-	-
CLOSING BALANCE (31.12.2023)	**18,069**	**15**	**654**	**10,227**	**844**	**5,812**	**200**	**-**	**2**	**315**	**-**

[1] Including €881 million on derivatives and €134 million on securities bought under repurchase agreements for transfers to Level 3 related to the review of the observability mapping.
[2] This balance includes the gains and losses of the period made on assets reported on the balance sheet at the reporting date, for the following amounts:

Gains / losses for the period from level 3 assets held at the end of the period	**(1,226)**
Recognised in profit or loss	(1,168)
Recognised in other comprehensive income	(58)

▶ Financial liabilities measured at fair value according to Level 3

In millions of euros	Total	Financial liabilities held for trading						Financial liabilities designated at fair value through profit or loss	Hedging derivative instruments
		Securities sold short	Securities sold under repurchase agreements	Debt securities	Due to credit institutions	Due to customers	Derivative Instruments		
CLOSING BALANCE (31.12.2022)	**13,247**	**-**	**1,762**	**-**	**-**	**-**	**2,670**	**8,815**	**-**
Gains or losses during the period [2]	400	-	(25)	-	-	-	(367)	792	-
Recognised in profit or loss	483	-	(25)	-	-	-	(355)	863	-
Recognised in other comprehensive income	(83)	-	-	-	-	-	(12)	(71)	-
Purchases	6,296	1	2,702	-	-	-	497	3,096	-
Sales	(23)	-	-	-	-	-	(23)	-	-
Issues	7,382	-	-	-	-	-	-	7,382	-
Settlements	(3,801)	-	(913)	-	-	-	(480)	(2,408)	-
Reclassifications	424	-	-	-	-	-	-	424	-
Changes associated with scope during the period	-	-	-	-	-	-	-	-	-
Transfers [1]	(296)	10	(534)	-	-	-	19	209	-
Transfers to Level 3	1,213	10	341	-	-	-	264	598	-
Transfers from Level 3	(1,509)	-	(875)	-	-	-	(245)	(389)	-
CLOSING BALANCE (31.12.2023)	**23,629**	**11**	**2,992**	**-**	**-**	**-**	**2,316**	**18,310**	**-**

[1] Including €572 million in transfers to Level 3 on derivative instruments and financial liabilities designated at fair value through profit or loss as well as €600 million in transfers outside Level 3 on securities sold under repurchase agreements related to the review of the observability mapping.

[2] This balance includes the gains and losses of the period made on liabilities reported on the balance sheet at the closing date, for the following amounts:

Gains / losses for the period from level 3 assets held at the end of the period	**400**
Recognised in profit or loss	483
Recognised in other comprehensive income	(83)

The gains and losses recognised in profit or loss linked to financial instruments held for trading and designated at fair value through profit or loss and derivatives are recorded in "Net gains (losses) on financial instruments at fair value through profit or loss"; the gains and losses recognised in profit or loss linked to financial assets at fair value through other comprehensive income are recorded in "Net gains (losses) on financial instruments at fair value through other comprehensive income".

11.3 Estimated impact of the inclusion of the margin at inception

In millions of euros	31.12.2023	31.12.2022
Deferred margin at beginning of period	**241**	**185**
Margin generated by new transactions during the period	250	180
Margin recognised in net income during the period	(132)	(124)
DEFERRED MARGIN AT END OF THE PERIOD	**359**	**241**

A reserve is recognised on the balance sheet for the first-day margin for market transactions classified as fair value Level 3 and the margin is recognised in profit or loss over time or when the non-observable inputs become observable again.

11.4 Reminders on benchmark rate reforms and implications for the Crédit Agricole CIB group

The reform of the IBOR (InterBank Offered Rates) indices initiated by the Financial Stability Board in 2014 aims to replace these indices with alternative rates and more specifically with Risk Free Rates (RFR).

This reform accelerated on 5 March 2021 when the IBA - the administrator of LIBOR - confirmed the important milestone at the end of 2021 for the disappearance or non-representativeness of LIBOR, except on the most frequently used tenors of USD LIBOR (overnight, 1-month, 3-month, 6-month and 12-month), for which the date was set at 30 June 2023.

The Crédit Agricole Group has been working since 2019 to prepare and manage the transition of interest rate indices for all of its activities:

- These transitions are part of the timetables and standards defined by the marketplace - some of which Crédit Agricole participates in - and the European regulatory framework (BMR).
- In accordance with the recommendations of the national working groups and the authorities, the Crédit Agricole Group recommends and is focused on switching to alternative indices in anticipation of the disappearance of benchmarks while aiming to meet the deadlines set by the marketplace or imposed by the authorities.
- The orderly and controlled completion of transitions is ensured by the Group's efforts to upgrade its tools and processes, as well as the strong mobilisation of support teams and business lines to absorb the workload caused by transitions, particularly for the renegotiation of contracts.

All of the actions taken have thus enabled the Group's entities to ensure the continuity of their business after the disappearance of benchmark indices and to be able to manage the new product offerings referencing RFRs or certain forward-looking RFRs while limiting operational and commercial risks after the indices are terminated.

USD LIBOR transition

At the Group level, the strong efforts of the teams and the organisation in place paved the way for the successful transition of nearly all existing contracts by anticipation or activation of the fallback clause, limiting the use of the synthetic USD LIBOR after 30 June 2023.

For some of these contracts and financial instruments, the Group was also able to rely on the system established by the US authorities, which approved the designation of a permanent statutory replacement rate for USD LIBOR for contracts governed by US law.

The actions carried out in the second half of 2023 were mainly aimed at concluding negotiations that had not been fully finalised before 30 June.

Apart from a few facilities where the maturity of the transaction is prior to the end of the synthetic LIBOR and for which borrowers are therefore not inclined to make the transition, and a few contracts whose renegotiation is being finalised, all contracts have now switched to an alternative index.

Transition of other indices (CDOR, SIBOR)

At 31 December, the Group still had some exposures to other benchmarks whose non-representativeness or termination has been announced:

- The CDOR (Canada) whose termination was announced after 28 June 2024 on the maturities not yet decided (one, two and three months).
- The SIBOR (Singapore), which is scheduled to end after 31 December 2024 on one and three-month maturities.

Actions continued in the second half of the year in order to prepare the actual switchovers as early as possible and finalise the inventory of exposed customers and transactions. With permitted exceptions, Crédit Agricole CIB also stopped the flow of new CDOR transactions during 2023.

Almost all of the CDOR stock is made up of derivatives where it is planned to rely on the ISDA fallback provisions insofar as most counterparties have adhered to the ISDA 2020 protocol.

Management of risks associated with interest rate reform

In addition to preparing and implementing the replacement of benchmarks, the work carried out by the Group since 2019 also focused on the management and control of risks inherent in the benchmark transitions, particularly with regard to financial, operational, legal and compliance aspects and in particular as regards client protection (prevention of conduct risk).

The impending operational migrations will be based on all the processes and tools previously developed for the transition of contracts indexed to IBOR rates whose publication or representativeness have already ceased. In order to minimise the operational and commercial risks, the impacted entities will also organise, where possible, proactive transitions in accordance with the recommendations and milestones defined by the authorities.

To date, the potential risks associated with the reform concern only the transition of the CDOR, for which the stakes are very localised and considered insignificant for the Group, and the transition of the SIBOR, for which its exposures are extremely marginal.

NOTE 12: SCOPE OF CONSOLIDATION AT 31 DECEMBER 2023

12.1 Information on subsidiaries

12.1.1 RESTRICTIONS ON CONTROLLED ENTITIES

Regulatory, legal or contractual provisions may limit Crédit Agricole CIB's ability to freely access the assets of its subsidiaries and to settle Crédit Agricole CIB's liabilities.

Crédit Agricole CIB is subject to the following restrictions:

Regulatory constraints

Crédit Agricole CIB subsidiaries are subject to prudential regulation and regulatory capital requirements in their host countries. The minimum solvency ratio, leverage ratio and liquidity ratio requirements limit the ability of these entities to pay dividends or transfer assets to Crédit Agricole CIB.

Legal constraints

Crédit Agricole CIB subsidiaries are subject to the legal provisions governing the distribution of capital and distributable profits. These requirements limit their ability to distribute dividends. In most cases, they are less restrictive than the regulatory limitations mentioned above.

Contractual constraints linked to guarantees

Crédit Agricole CIB encumbers certain financial assets to raise funds through securitisations or refinancing from central banks. Once pledged as collateral, the assets can no longer be used by Crédit Agricole CIB. This mechanism is described in Note 9 “Commitments given and received and other guarantees”.

Other constraints

Certain Crédit Agricole CIB subsidiaries must submit proposed dividend payouts to their regulatory authorities for prior approval.

12.1.2 SUPPORT FOR CONTROLLED STRUCTURED ENTITIES

Crédit Agricole CIB has contractual agreements with certain consolidated structured entities deemed equivalent to commitments to provide financial support.

For its own funding needs and those of its customers, Crédit Agricole CIB uses structured debt issuance vehicles to raise funds on the financial markets. The securities issued by these entities are fully underwritten by Crédit Agricole CIB. At 31 December 2023, the outstanding volume of these issues was €23.2 billion.

As part of its third-party securitisation business, Crédit Agricole CIB provides short-term credit facilities to its ABCP conduits. At 31 December 2023, these short-term credit facilities totalled €39.8 billion.

12.2 Non-controlling interests

Non-controlling interests held by Crédit Agricole CIB are insignificant, except the stakes held in Crédit Foncier de Monaco Indosuez Wealth group and Azqore.

12.3 Composition of the consolidation scope

Consolidation scope - Crédit Agricole CIB group	(a)	Location	Registered office if different from location	Type of entity	Consolidation method at 31.12.2023	% control		% interest	
						31.12.2023	31.12.2022	31.12.2023	31.12.2022
Parent company and branches									
Crédit Agricole CIB S.A.		France		Parent	company	100	100	100	100
Crédit Agricole CIB (Dubai)		United Arab Emirates	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Dubai DIFC)		United Arab Emirates	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Abu Dhabi)		United Arab Emirates	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (South Korea)		South Korea	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Spain)		Spain	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (India)		India	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Japan)		Japan	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Singapore)		Singapore	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (United Kingdom)		United Kingdom	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Hong-Kong)		Hong-Kong	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (United States)		United States	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Taipei)		Taiwan	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Finland)		Finland	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Germany)		Germany	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Sweden)		Sweden	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Italy)		Italy	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Belgium)		Belgium	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Canada)		Canada	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Australia)		Australia	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB QFC Branch		Qatar	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Denmark)	E2	Denmark	France	Branch	full consolidation	100	-	100	-
Banking and financial institutions									
Banco Crédit Agricole Brasil S.A.		Brazil		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole CIB Australia Ltd.		Australia		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole CIB China Ltd.		China		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole CIB China Ltd. Chinese Branch		China		Branch	full consolidation	100	100	100	100
Crédit Agricole CIB Services Private Ltd.		India		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole CIB AO		Russia		Subsidiary	full consolidation	100	100	100	100
CA Indosuez Wealth (Europe)		Luxembourg		Subsidiary	full consolidation	100	100	100	100
CA Indosuez Wealth (Europe - Spain)		Spain	Luxembourg	Branch	full consolidation	100	100	100	100
CA Indosuez Wealth (Europe - Belgium)		Belgium	Luxembourg	Branch	full consolidation	100	100	100	100
CA Indosuez Wealth (Europe) Italy Branch		Italy	Luxembourg	Branch	full consolidation	100	100	100	100
CA Indosuez (Suisse) S.A.		Switzerland		Subsidiary	full consolidation	100	100	100	100
CA Indosuez (Suisse) S.A. (Hong-Kong)		Hong-Kong	Switzerland	Branch	full consolidation	100	100	100	100
CA Indosuez (Suisse) S.A. (Singapore)		Singapore	Switzerland	Branch	full consolidation	100	100	100	100
CA Indosuez (Suisse) S.A. Switzerland Branch		Switzerland		Branch	full consolidation	100	100	100	100
CA Indosuez (Suisse) S.A. DIFC Branch		United Arab Emirates	Switzerland	Branch	full consolidation	100	100	100	100
CFM Indosuez Wealth		Monaco		Subsidiary	full consolidation	70	70	69	69
CA Indosuez Finanziaria S.A.		Switzerland		Subsidiary	full consolidation	100	100	100	100
UBAF		France		Joint venture	equity method	47	47	47	47

Consolidation scope - Crédit Agricole CIB group	(a)	Location	Registered office if different from location	Type of entity	Consolidation method at 31.12.2023	% control		% interest	
						31.12.2023	31.12.2022	31.12.2023	31.12.2022
UBAF (Japan)		Japan	France	Joint venture	equity method	47	47	47	47
UBAF (South Korea)		South Korea	France	Joint venture	equity method	47	47	47	47
UBAF (Singapore)		Singapore	France	Joint venture	equity method	47	47	47	47
CA Indosuez		France		Subsidiary	full consolidation	100	100	100	100
CA Indosuez Gestion		France		Subsidiary	full consolidation	100	100	100	100
Ester Finance Technologies		France		Subsidiary	full consolidation	100	100	100	100
CACIB Arabia Financial Company		Saudi Arabia		Subsidiary	full consolidation	100	100	100	100
Brokerage firms									
Crédit Agricole Securities (USA) Inc		United States		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole Securities (Asia) Ltd		Hong Kong		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole Securities Asia Limited Seoul Branch (CASAL Seoul Branch)		South Korea	Hong Kong	Branch	full consolidation	100	100	100	100
Crédit Agricole Securities Asia BV (Tokyo)		Japan	Netherlands	Branch	full consolidation	100	100	100	100
Investment companies									
Compagnie Française de l'Asie (CFA)		France		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole CIB Air Finance S.A.		France		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole Securities Asia BV		Netherlands		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole Global Partners Inc.		United States		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole CIB Holdings Ltd.		United Kingdom		Subsidiary	full consolidation	100	100	100	100
Doumer Finance S.A.S.		France		Subsidiary	full consolidation	100	100	100	100
Fininvest		France		Subsidiary	full consolidation	98	98	98	98
Fletirec		France		Subsidiary	full consolidation	100	100	100	100
CFM Indosuez Conseil en Investissement		France		Subsidiary	full consolidation	70	70	69	69
CFM Indosuez Gestion		Monaco		Subsidiary	full consolidation	70	70	69	67
CFM Indosuez Conseil en Investissement, Noumea Branch		New Caledonia	France	Branch	full consolidation	70	70	69	69
Insurance									
CAIRS Assurance S.A.		France		Subsidiary	full consolidation	100	100	100	100
Miscellaneous									
Crédit Agricole Asia Shipfinance Ltd.		Hong-kong		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole CIB Finance (Guernsey) Ltd.		Guernsey		Controlled structured entity	full consolidation	100	100	100	100
Crédit Agricole CIB Financial Solutions		France		Controlled structured entity	full consolidation	100	100	100	100
Crédit Agricole CIB Global Banking		France		Subsidiary	full consolidation	100	100	100	100
Benelpart		Belgium		Subsidiary	full consolidation	100	100	98	97
Financière des Scarabées	S4	Belgium		Subsidiary	full consolidation	-	100	-	99
Lafina	S4	Belgium		Subsidiary	full consolidation	-	100	-	98
SNGI Belgium	S4	Belgium		Subsidiary	full consolidation	-	100	-	100
TCB		France		Subsidiary	full consolidation	99	99	98	97
Molinier Finances		France		Subsidiary	full consolidation	100	100	98	97
SNGI		France		Subsidiary	full consolidation	100	100	100	100
Sofipac		Belgium		Subsidiary	full consolidation	100	99	98	96
Crédit Agricole Leasing (USA) Corp.		United States		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole America Services Inc.		United States		Subsidiary	full consolidation	100	100	100	100
CA Indosuez Wealth (Asset Management)		Luxembourg		Subsidiary	full consolidation	100	100	100	100
Atlantic Asset Securitization LLC		United States		Controlled structured entity	full consolidation	100	100	-	-
LMA SA		France		Controlled structured entity	full consolidation	100	100	-	-
FIC-FIDC		Brazil		Controlled structured entity	full consolidation	100	100	100	100
Héphaïstos Multidevises FCT		France		Controlled structured entity	full consolidation	100	100	-	-
Eucalyptus FCT		France		Controlled structured entity	full consolidation	100	100	-	-
Pacific USD FCT		France		Controlled structured entity	full consolidation	100	100	-	-

Consolidation scope - Crédit Agricole CIB group	(a)	Location	Registered office if different from location	Type of entity	Consolidation method at 31.12.2023	% control		% interest	
						31.12.2023	31.12.2022	31.12.2023	31.12.2022
Pacific EUR FCC		France		Controlled structured entity	full consolidation	100	100	-	-
Pacific IT FCT		France		Controlled structured entity	full consolidation	100	100	-	-
Triple P FCC		France		Controlled structured entity	full consolidation	100	100	-	-
CA-CIB Pension Limited Partnership	S1	United Kingdom		Controlled structured entity	full consolidation	-	100	-	100
ItalAsset Finance SRL		Italy		Controlled structured entity	full consolidation	100	100	100	100
Lafayette Asset Securitization LLC		United States		Controlled structured entity	full consolidation	100	100	-	-
Fundo A De Investimento Multimercado		Brazil		Controlled structured entity	full consolidation	100	100	100	100
Azqore		Switzerland		Subsidiary	full consolidation	83	83	83	83
Azqore Singapore Branch SA		Singapore	Switzerland	Branch	full consolidation	83	83	83	83
Crédit Agricole CIB Transactions		France		Subsidiary	full consolidation	100	100	100	100
FCT La Route Avance		France		Controlled structured entity	full consolidation	100	100	-	-
Sufinair B.V.		Netherlands		Subsidiary	full consolidation	100	100	100	100
Sinefinair B.V.		Netherlands		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole CIB Finance Luxembourg S.A.		Luxembourg		Subsidiary	full consolidation	100	100	100	100
FIXED INCOME DERIVATIVES - STRUCTURED FUND PLC		Ireland		Controlled structured entity	full consolidation	100	100	100	100
L&E Services		France		Controlled structured entity	full consolidation	100	100	100	100
CA MIDCAP ADVISORS (EX SODICA)		France		Subsidiary	full consolidation	100	100	100	100
Demeter Compartiment JA 2022	E2	France		Controlled structured entity	full consolidation	100	-	-	-
Woori Card 2022 1 Asset Securitization speciality Co Ltd		South Korea		Controlled structured entity	full consolidation	100	100	-	-
Demeter Compartiment TS EU	E2	France		Controlled structured entity	full consolidation	100	-	-	-
Demeter Compartiment GL 2023	E2	France		Controlled structured entity	full consolidation	100	-	-	-

(a) Modification of scope

Inclusions (E) into the scope of consolidation:
E1: Breach of threshold
E2: Creation
E3: Acquisition (including controlling interests)
Removal (S) from the scope:
S1: Discontinuation of business (including dissolution and liquidation)
S2: Sale to non-Group companies or deconsolidation following loss of control
S3: Deconsolidated due to non-materiality
S4: Merger or takeover
S5: Transfer of all assets and liabilities
Other (D):
D1: Change of company name
D2: Change of consolidation method
D3: Entity newly included in the Note on the scope of consolidation
D4: Entity classified under Non-current assets held for sale and discontinued operations

NOTE 13: NON-CONSOLIDATED INVESTMENTS AND STRUCTURED ENTITIES

13.1 Non-consolidated investments

These securities, measured at fair value through profit or loss or at fair value through other comprehensive income that will not subsequently be reclassified to profit or loss, are variable-income securities representing a significant portion of the capital of the issuing companies and which the company has the intention of holding over the long term.

This item amounted to €328 million at 31 December 2023 versus €300 million at 31 December 2022.

In accordance with ANC Regulation and the option offered by ANC Recommendation 2016-01, the complete list of non-consolidated controlled entities and significant non-consolidated equity investments can be consulted on the Crédit Agricole CIB website at: https://www.ca-cib.fr/nous-connaitre/elements-financiers/informations-reglementees

13.2 Information on non-consolidated structured entities

In accordance with IFRS 12, a controlled structured entity is an entity designed in such a way that the voting rights or similar rights are not the factor determining who controls the entity; this is notably the case when the voting rights only relate to administrative tasks and the relevant activities are managed through contractual agreements.

INFORMATION ON THE NATURE AND EXTENT OF INTERESTS HELD

At 31 December 2023, Crédit Agricole CIB held interests in certain non-consolidated structured entities, the main characteristics of which are presented below by type of activity.

Securitisation

Crédit Agricole CIB's role is to structure securitisation vehicles by purchasing trade or financial receivables. The vehicles finance these purchases by issuing multiple tranches of debt and equity securities, the repayment of which is associated with the performance of the assets comprising the vehicles.

Crédit Agricole CIB invests in and provides short-term credit facilities to the securitisation vehicles it has sponsored on behalf of clients.

Structured Finance

Crédit Agricole CIB operates through entities dedicated to the acquisition of assets. These entities may take the form of asset finance companies or leasing companies. In structured entities, financing is secured by the asset. The Group's involvement is often limited to financing or loan commitments.

Sponsored entities

Crédit Agricole CIB sponsors a structured entity in the following cases:

- Crédit Agricole CIB is involved in the creation of the entity and this involvement, against remuneration, is deemed to be substantial to ensuring the successful completion of operations;
- A structuring arrangement took place at the request of Crédit Agricole CIB and it is the main user;
- Crédit Agricole CIB sold its own assets to the structured entity;
- Crédit Agricole CIB is the portfolio manager;
- The name of a subsidiary or parent company of Crédit Agricole CIB is associated with the name of the structured entity or the financial instruments issued by the entity.

Crédit Agricole CIB sponsored non-consolidated structured entities in which it held no interests at 31 December 2023.

INFORMATION ON RISKS ASSOCIATED WITH INTERESTS HELD

◆ Financial support for structured entities

In 2023, Crédit Agricole CIB did not provide financial support to non-consolidated structured entities.

As of 31 December 2023, Crédit Agricole CIB does not intend to provide financial support to a non-consolidated structured entity.

◆ Interests held in non-consolidated structured entities by type of business

The involvement of Crédit Agricole CIB in non-consolidated structured entities at 31 December 2023 and at 31 December 2022 is presented in the tables below for all categories of sponsored structured entities of material significance to Crédit Agricole CIB:

	31.12.2023											
	Securitisation vehicules				Investments funds [1]				Structured finance [1]			
		Maximum loss				Maximum loss				Maximum loss		
In millions of euros	Carrying amount	Maximum exposure to losses	Guar-antees received and other credit enhance-ments	Net exposure	Carrying amount	Maximum exposure to losses	Guar-antees received and other credit enhance-ments	Net exposure	Carrying amount	Maximum exposure to losses	Guar-antees received and other credit enhance-ments	Net exposure
Financial assets at fair value through profit or loss	4	4	-	4	-	-	-	-	4	4	-	4
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Financial assets at amortised cost	108	108	-	108	-	-	-	-	2,139	2,139	-	2,139
Total Assets recognised relating to non-consolidated structured entities	**112**	**112**	**-**	**112**	**-**	**-**	**-**	**-**	**2,143**	**2,143**	**-**	**2,143**
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
Financial liabilities at fair value through profit or loss	26	26	-	26	-	-	-	-	14	14	-	14
Liabilities	12	-	-	-	-	-	-	-	240	-	-	-
Total Liabilities recognised relating to non-consolidated structured entities	**38**	**26**	**-**	**26**	**-**	**-**	**-**	**-**	**254**	**14**	**-**	**14**
Commitments given	**-**	**15**	**-**	**15**	**-**	**-**	**-**	**-**	**-**	**2,147**	**-**	**2,147**
Financing commitments	-	15	-	15	-	-	-	-	-	2,147	-	2,147
Guarantee commitments	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Provisions for execution risks - commitments given	-	-	-	-	-	-	-	-	-	-	-	-
Total Commitments (net of provision) to non-consolidated structured entities	**-**	**15**	**-**	**15**	**-**	**-**	**-**	**-**	**-**	**2,147**	**-**	**2,147**
Total Balance sheet relating to non-consolidated structured entities	**2,021**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**5,321**	**-**	**-**	**-**

[1] Non-sponsored structured entities generate no specific risk related to the nature of the entity. Information on these exposures is provided in Note 3.1 "Credit Risk" and in Note 3.3 "Market Risk". These are investment funds in which the Group is not a manager, and structured financing entities in which the Group has only granted a loan.

	31.12.2022											
	Securitisation vehicules				Investments funds [1]				Structured finance [1]			
		Maximum loss				Maximum loss				Maximum loss		
In millions of euros	Carrying amount	Maximum exposure to losses	Guarantees received and other credit enhancements	Net exposure	Carrying amount	Maximum exposure to losses	Guarantees received and other credit enhancements	Net exposure	Carrying amount	Maximum exposure to losses	Guarantees received and other credit enhancements	Net exposure
Financial assets at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Financial assets at amortised cost	103	103	-	103	-	-	-	-	2,001	2,001	-	2,001
Total Assets recognised relating to non-consolidated structured entities	**103**	**103**	**-**	**103**	**-**	**-**	**-**	**-**	**2,001**	**2,001**	**-**	**2,001**
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
Financial liabilities at fair value through profit or loss	47	47	-	47	-	-	-	-	24	24	-	24
Liabilities	-	-	-	-	-	-	-	-	194	-	-	-
Total Liabilities recognised relating to non-consolidated structured entities	**47**	**47**	**-**	**47**	**-**	**-**	**-**	**-**	**218**	**24**	**-**	**24**
Commitments given	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,525**	**-**	**1,525**
Financing commitments	-	-	-	-	-	-	-	-	-	1,525	-	1,525
Guarantee commitments	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Provisions for execution risks - commitments given	-	-	-	-	-	-	-	-	-	-	-	-
Total Commitments (net of provision) to non-consolidated structured entities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,525**	**-**	**1,525**
Net assets/ liabilities recognised relating to non-consolidated structured entities	**56**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,783**	**-**	**-**	**-**

[1] Non-sponsored structured entities generate no specific risk related to the nature of the entity. Information on these exposures is provided in Note 3.1 "Credit Risk" and in Note 3.3 "Market Risk". These are investment funds in which the Group is not a manager, and structured financing entities in which the Group has only granted a loan.

For information at 31 December 2022, the balance sheet total of non-consolidated structured entities was €2,728 million for Securitisation and €5,340 million for Structured Financing.

MAXIMUM EXPOSURE TO CREDIT RISK

The maximum exposure to loss risk on financial instruments corresponds to the value recognised on the balance sheet, with the exception of put options and CDS (credit default swaps) for which the exposure corresponds to assets for the notional amount and to liabilities for the notional amount less the mark-to-market. The maximum exposure to the risk of loss of commitments given corresponds to the notional amount and the provision for commitments given at the amount recognised in the balance sheet.

NOTE 14: EVENTS SUBSEQUENT TO 31 DECEMBER 2023

No significant events have occurred since the end of the reporting period.

4. STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (YEAR ENDED 31 DECEMBER 2023)

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex, France

ERNST & YOUNG ET AUTRES
Tour First
TSA 14444
92037 Paris-La Défense Cedex, France

This is a free translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to the shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the General Meeting of Shareholders of
Crédit Agricole Corporate and Investment Bank
12 Place des États Unis
CS 70052
92547 Montrouge Cedex, France

4.1. Opinion

In compliance with the engagement entrusted to us by your General Meeting of Shareholders, we have audited the accompanying consolidated financial statements of Crédit Agricole Corporate and Investment Bank for the year ended 31 December 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

4.2. Basis for Opinion

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

INDEPENDENCE

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics for Statutory Auditors *(Code de déontologie de la profession de commissaire aux comptes)* for the period from 1 January 2023 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

4.3. Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

RISK IN RELATION TO THE MEASUREMENT OF PROVISIONS FOR REGULATORY, LEGAL AND TAX DISPUTES

Risk identified

Your Group is subject to litigation proceedings as well as requests for information, investigations, audits and other regulatory or legal proceedings by different authorities in France and abroad.

A number of tax investigations are also ongoing in France and in certain other countries where your Group operates.

Deciding whether to recognise a provision and the amount of that provision requires by its very nature the use of judgement, given that the difficulty in assessing the outcome of these proceedings or the uncertainties related to certain tax treatments.

Given the degree of judgement required, the measurement of provisions for regulatory and tax disputes constitutes a significant risk of material misstatement in the consolidated financial statements, and we therefore deemed such measurement to be a key audit matter.

The various ongoing legal proceedings, investigations and requests for information, as well as tax proceedings, are presented in Notes 6.14 and 6.9, respectively, to the consolidated financial statements.

Our response

We gained an understanding of the procedure implemented by Management for measuring the risks resulting from these disputes, regulatory or legal proceedings and tax uncertainties and, where applicable, the related provisions, notably through quarterly exchanges with Management and, in particular, the Legal, Compliance and Tax departments of your Group and its main subsidiaries.

Our work consisted primarily in:

- examining the assumptions used to determine provisions based on available information (documentation prepared by the Legal Department or legal counsel of your Group, correspondence from regulators and minutes of Legal Risks Committee meetings);
- gaining an understanding of the analyses or findings of your Group's legal counsels and their responses to our requests for confirmation;
- as regards tax risks in particular, examining, with our specialists, your Group's responses submitted to the relevant authorities, as well as the risk estimates carried out by the Group;
- assessing, accordingly, the level of provisioning at 31 December 2023.

Lastly, we examined the related disclosures provided in the notes to the consolidated financial statements.

CREDIT RISK AND ESTIMATE OF EXPECTED CREDIT LOSSES ON PERFORMING, UNDERPERFORMING AND NON-PERFORMING LOANS

Risk identified

As part of its corporate and investment banking operations, your Group originates and structures financing for the clients of large corporations in France and abroad.

In accordance with IFRS 9, these loans are subject to value adjustments in respect of expected credit losses (ECL) on loans that are performing (Stage 1), underperforming (Stage 2) or non-performing (Stage 3).

Given the significant judgement required in determining such provisions and impairment, we deemed the estimate of provisions for and impairment of performing and underperforming loans in the energy and automotive and Russian trade sectors (Stages 1 and 2) and all the non-performing loans (Stage 3) to be a key audit matter due to:

- an uncertain economic environment mainly due to the negative impacts of the war in Ukraine (high inflation, raw materials scarcity, etc.) in addition to difficulties in the economic recovery of the Chinese market, which was still being affected by the COVID-19 crisis at the start of the financial year;
- the complexity of identifying exposures where there is a risk of non-recovery; and
- the degree of judgement needed to estimate recovery flows.

At 31 December 2023, ECL value adjustments on all eligible loans amounted to €3.5b (€3.0b recognized under assets) including:

- **€1,138 m of value adjustments pertaining to performing and underperforming assets (€348 m in Stage 1 and €790 m in Stage 2);**
- **€2,320 m of value adjustments pertaining to non-performing loans (Stage 3).**

See notes 3.1, 4.9 and 6.5 to the consolidated financial statements.

Our response

We examined the procedures implemented by the Risk Management department to categorise outstanding loans (Stage 1, 2 or 3) and measure the amount of recorded value adjustments, in order to assess whether the estimates used are based on IFRS 9-compliant methods appropriately documented and described in the notes to the consolidated financial statements.

We assessed, in particular, how the macro-economic and geopolitical context, the macro-economic projections used to calculate value adjustments and the related financial information were taken into account.

We tested the key controls implemented by your Group for the annual portfolio reviews, the updating of credit ratings, the identification of sectors weakened by the uncertain economic context, underperforming or non-performing loans and the measurement of value adjustments. We also familiarised ourselves with the main findings of your Group's specialised committees in charge of monitoring underperforming and non-performing loans.

Regarding collectively measured value adjustments in Stages 1 and 2, we:

- asked specialists to assess the methods and measurements for the various ECL inputs and calculation models;
- assessed the analyses carried out by the Management on sectors with a deteriorated outlook and having been seriously impacted by the uncertain economic context;
- examined the methodology used by Management to identify significant increases in credit risk (SICR);
- tested the controls that we deemed to be of key importance in relation to the transfer of the data used to calculate ECL or the reconciliations between the bases used to calculate ECL and the accounting data;
- carried out independent value adjustment calculations for expected losses, compared the calculated amount with the recognised amount and examined the adjustments made by Management where applicable.

Regarding individually calculated value adjustments in Stage 3, we:

- examined the estimates used for the Group's impaired significant counterparties;
- based on a sample of impaired or non-impaired credit files, examined the factors underlying the main assumptions used to assess the expected recovery flows, in particular with regard to valuing collateral.

Lastly, we examined the disclosures in relation to credit risk hedging provided in the notes to the consolidated financial statements.

RISK IN RELATION TO THE MEASUREMENT OF CERTAIN FINANCIAL ASSETS AND LIABILITIES MEASURED AT FAIR VALUE IN LEVEL 3

Risk identified

As part of its capital markets activities, your Group originates, structures, sells and trades derivative financial instruments, for corporate clients, financial institutions and major issuers. Moreover, the issue of debt instruments, some of which are hybrid, to the Group's international and domestic customers contributes to the management of the bank's medium- and long-term refinancing.

- Derivative financial instruments held for trading purposes are measured at fair value through profit or loss on the balance sheet.
- Hybrid issues are recognised in financial liabilities according to the "fair value through profit or loss" option.

Financial instruments whose measurement requires the use of significant unobservable market inputs are classified in level 3. We deem the measurement of certain of these instruments to be a key audit matter when they require significant judgement on the part of Management, in particular as regards:

- the mapping of the observability of valuation inputs;
- the use of internal and non-standard valuation models;
- the valuation of inputs unsubstantiated by observable market data;
- the estimate of valuation adjustments designed to reflect uncertainties related to the models, the inputs used and counterparty and liquidity risks.

Derivative instruments are recorded in the balance sheet under financial assets and liabilities at fair value through profit or loss. As at 31 December 2023, derivative instruments categorized as level 3 amounted to €5.8 b in assets and €2.3 b.

Hybrid issues are recognized in financial liabilities according to the "fair value through profit or loss" option. As at 31 December 2023, those categorized in level 3 represented €18.3 b in liabilities.

See Notes 3.2, 6.2 and 11.2 to the consolidated financial statements.

Our response

We gained an understanding of the processes and controls put in place by your Group to identify, measure and recognise derivative financial instruments and hybrid issues classified in level 3.

We examined the key controls, particularly those performed by the Risk Management department, such as the review of the observability mapping, the independent verification of measurement inputs and the internal approval of valuation models. We also examined the system governing the recognition of valuation adjustments and the accounting categorisation of financial products.

With the support of our specialists in the valuation of financial instruments, we carried out independent valuations and analysed those performed by your Group and examined the assumptions, inputs, methodologies and models used. In particular, we examined the documentation concerning changes over the year in the observability mapping.

We also assessed the main valuation adjustments recognised, as well as the justification provided by Management for the main differences in measurement vis à vis counterparties observed in the margin calls process and gains or losses in the event of the unwinding of financial instruments.

RISK IN RELATION TO MEASUREMENT OF GOODWILL

Risk identified

Goodwill is tested for impairment whenever there are objective indications of impairment and otherwise at least once a year. These tests are based on a comparison between the carrying amount of each Cash Generating Unit (CGU) and its recoverable amount, defined as the higher of fair value less costs to sell and value in use. Value in use is determined by discounting the estimated future cash flows of the CGU, as set out in the financial forecasts validated by the governance bodies and extended until 2028.

The rate of capital allocation is determined by taking into account any specific requirements set by the regulator (in particular for Pillar 2).

By their very nature, these impairment tests require the exercise of judgement to make decisions concerning the key assumptions to use, in particular for determining economic scenarios in a context marked by the conflict in Ukraine and the sanctions taken against Russia, financial forecasts and discount rates.

Given the trend in the difference between the value in use and the carrying amount, and the sensitivity of impairment tests to the assumptions used by Management, we paid particular attention to the tests performed on the Corporate and Investment Banking CGU and the Wealth Management CGU.

The impairment tests performed at 31 December 2023 did not lead to the recognition of any impairment losses on goodwill. Sensitivity tests are set out in Note 6.13 to the consolidated financial statements.

Our response

We gained an understanding of the procedures implemented by your Group to identify objective indications of impairment and to assess the need to recognise impairment losses against goodwill.

We included valuation experts in the audit team to examine the assumptions used to determine the discount rates and the perpetual growth rates used, as well as the models used for calculating discounted cash flows.

We tested the calculations and the main assumptions (rate of capital allocation, discount rate, perpetual growth rate, etc.) compared with external sources.

We examined the financial forecasts prepared by Management and used in the model to:

- verify their consistency with those presented to your Board of Directors and ensure that any restatements made were justified;
- assess the main underlying assumptions, including in relation to the extension of forecasts beyond the period presented to your Group's Board of Directors, in view of financial forecasts made versus actual performance in prior periods;
- conduct sensitivity tests on some of the assumptions (level of capital allocated, discount rate, cost of risk, cost/income ratio).

We also examined the disclosures provided in the notes to the consolidated financial statements on the results of these impairment tests and the level of sensitivity to the various measurement inputs.

4.4. Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information concerning the Group given in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

4.5. Other Verifications and Information Pursuant to Legal and Regulatory Requirements

FORMAT OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS INTENDED TO BE INCLUDED IN THE ANNUAL FINANCIAL REPORT

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by statutory auditors regarding the annual and consolidated financial statements prepared in the European single electronic format, that the preparation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code *(Code monétaire et financier)*, prepared under the CEO's responsibility, complies with the single electronic format defined in Commission Delegated Regulation (EU) No. 2019/815 of 17 December 2018. Regarding consolidated financial statements, our work includes verifying that the tagging thereof complies with the format defined in the above-mentioned regulation.

On the basis of our work, we conclude that the preparation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to the technical limitations inherent to the block-tagging of consolidated financial statements in the European single electronic format, it is possible that the contents of certain tagging in the notes are not reproduced identically to the accompanying consolidated financial statements.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your Company in the annual financial report filed with the AMF *(Autorité des marchés financiers)* agree with those on which we have performed our work.

APPOINTMENT OF THE STATUTORY AUDITORS

We were appointed as statutory auditors of Crédit Agricole Corporate and Investment Bank by the general meeting of shareholders held on 30 April 2004 for PricewaterhouseCoopers and on 20 May 1997 for ERNST & YOUNG et Autres.

As at 31 December 2023, PricewaterhouseCoopers Audit was in its twentieth year and ERNST & YOUNG et Autres in its twenty-seventh year of total uninterrupted engagement.

4.6. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

4.7. Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

OBJECTIVES AND AUDIT APPROACH

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these consolidated financial statements.

As specified in Article L.821-55 of the French Commercial Code *(Code de commerce)*, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the consolidated financial statements.
- Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

REPORT TO THE AUDIT COMMITTEE

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in Articles L.821-27 to L.821-34 of the French Commercial Code (Code de commerce) and in the French Code of Ethics for Statutory Auditors *(Code de déontologie de la profession de commissaire aux comptes)*. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and La Défense, 21 March 2024

The Statutory Auditors
French original signed by:

PricewaterhouseCoopers Audit		ERNST & YOUNG et Autres
Laurent Tavernier	Agnès Hussherr	Matthieu PRECHOUX

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PARENT-COMPANY FINANCIAL STATEMENTS AT 31 DECEMBER 2023

Approved by the Board of Directors
on February 6th 2024
and submitted
for approval by the Ordinary General Meeting
of April 30th 2024.

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CONTENTS

€1,210 M

NET INCOME

€4,922 M

NET BANKING INCOME

€722,411 M

TOTAL BALANCE SHEET

1. CRÉDIT AGRICOLE CIB (S.A.) FINANCIAL STATEMENTS

1.1. Balance sheet - assets

€ million	Notes	31.12.2023	31.12.2022
Cash money market and interbank items		**247,857**	**215,670**
Cash due from central banks		71,642	71,080
Treasury bills ans similar securities	4 - 4.2 - 4.3 and 4.4	37,854	21,332
Loans and receivables to credit institutions	2	138,361	123,258
Loans and receivables to customers	3 - 3.1 - 3.2 - 3.3 and 3.4	**238,435**	**205,044**
Portfolio securities		**51,666**	**39,559**
Bonds and other fixed income securities	4 - 4.2 - 4.3 and 4.4	39,816	33,975
Equities and other equity variables income securities	4 and 4.2	11,850	5,584
Fixed assets		**6,079**	**5,944**
Equity investments and other long-term equity investments	5 - 5.1 and 6	241	242
Investments in subsidiaries and affiliates	5 - 5.1 and 6	5,341	5,311
Intangible assets	6	340	280
Property, plant and equipment	6	157	111
Financial lease and similar operations	6	-	-
Treasury shares		**-**	**-**
Accruals, prepayments and sundry assets		**178,374**	**220,408**
Other assets	7	54,991	74,984
Accruals and prepayments	7	123,383	145,424
Total assets		**722,411**	**686,625**

1.2. Balance sheet - liabilities

€ million	Notes	31.12.2023	31.12.2022
Cash money markets and interbank items		**122,525**	**122,314**
Due to central banks		-	-
Due to credit institutions	9	122,525	122,314
Due to customers	10.1 - 10.2 and 10.3	**252,921**	**222,444**
Debts securities	11.1 and 11.2	**62,161**	**54,794**
Accruals, deferred income and sundry liabilities		**249,131**	**252,545**
Other liabilities	13	109,860	100,975
Accruals and deferred income	13	139,271	151,570
Provisions and subordinated debt		**17,993**	**17,715**
Provisions	14	3,379	3,272
Subordinated debt	16	14,614	14,443
Fund for general banking risks (FGBR)		**-**	**-**
Equity (excluding FGBR)	17	**17,680**	**16,813**
Share capital		7,852	7,852
Share premium		1,573	1,573
Reserves		806	806
Revaluation adjustments		-	-
Regulated provisions and investment subsidies		-	-
Retained earnings		6,239	5,006
Net income for the financial year		1,210	1,576
Total equity and liabilities		**722,411**	**686,625**

1.3. Off-balance sheet

€ million	31.12.2023	31.12.2022
Commitments given	**525,130**	**407,076**
Financing commitments	**277,751**	**216,395**
Commitments to credit institutions	79,123	39,604
Commitments to customers	198,628	176,791
Guarantee commitments [1]	**132,918**	**108,764**
Commitments to credit institutions	48,860	35,983
Commitments to customers	84,058	72,781
Commitments on securities [1]	**23,641**	**11,769**
Other commitments given [1]	**90,820**	**70,148**
Commitments received	**290,992**	**252,760**
Financing commitments	**54,279**	**28,665**
Commitments to credit institutions	21,272	12,043
Commitments to customers	33,007	16,622
Guarantee commitments [2]	**175,731**	**174,371**
Commitments to credit institutions	8,159	7,424
Commitments to customers	167,572	166,947
Commitments on securities [2]	**27,759**	**18,133**
Other commitments received	**33,223**	**31,591**

[1] *Including €16,647 million in commitments given to Crédit Agricole S.A. at 31.12.2023.*
[2] *Including €190 million in financing commitments received from Crédit Agricole S.A. at 31.12.2023*

Off-balance sheet items: other information

Non-settled foreign exchange transactions and amounts payable in foreign currencies: Note 20.
Transactions on forward financial instruments: Notes 21, 21.1, 21.2 and 21.3

1.4. Income statement

€ million	Notes	31.12.2023	31.12.2022
Interest and similar income	22	30,679	12,152
Interest and similar expenses	22	(27,666)	(10,264)
Income from variable-income securities	23	250	242
Fee and commission income	24 - 24.1	1,142	1,050
Fee and commission expenses	24 - 24.1	(799)	(588)
Net gain/(loss) on trading book	25	1,451	2,332
Net gain/(loss) on investment portfolios	26	(16)	18
Other banking income		154	302
Other banking expenses		(273)	(152)
Net banking income		**4,922**	**5,092**
Operating expenses		**(3,204)**	**(2,978)**
Personnal costs	27.1 - 27.2	(1,937)	(1,654)
Other operating expenses	27.3	(1,267)	(1,324)
Depreciation, amortization and impairement of property, plant and equipment and intangible assets		**(85)**	**(82)**
Gross operating income		**1,633**	**2,032**
Cost of risk	28	(119)	(140)
Net operating income		**1,514**	**1,892**
Net gain/(loss) on fixed assets	29	13	34
Pre-tax income on ordinary activities		**1,527**	**1,926**
Net extraordinary items		-	-
Income tax charge	30	(317)	(350)
Net allocation to FGBR and regulated provisions		-	-
Net income		**1,210**	**1,576**

1.5. Major events during the period 2023

Impacts of military operations in Ukraine

At the end of February 2022, tensions between Russia and Ukraine led to a military conflict, of which the magnitude and duration, nearly two years later, as well as its economic and financial impacts, remain highly uncertain. The Crédit Agricole CIB has stopped all financing to Russian and all commercial activities in the country since the start of the conflict. However, Crédit Agricole CIB is exposed directly and indirectly in Russia due to activities that predate the start of the conflict and has booked provisions on performing loans in the first quarter of 2022, in accordance with applicable accounting principles and methods.

The exposures recognised represented the equivalent of €1.2 billion at 31 December 2023 (including €1.1 billion recorded on the balance sheet). They decreased by -€1.7 billion compared with 31 December 2022 and -€3.4 billion since the start of the conflict at the end of February 2022. The off-balance sheet portion of offshore exposures (documentary loans, financial guarantees and, to a lesser extent, undrawn confirmed credit facilities) amounted to €0.1 billion at 31 December 2023, down significantly by -€1.5 billion since the outbreak of the conflict. In the context of the ongoing conflict and the resulting international sanctions, the portfolio continues to be subject to tighter supervision and exposures continue to decline gradually as reimbursements are recorded in strict compliance with international sanctions, and through secondary disposals. As such, from the first quarter of 2022, at the beginning of the conflict, exposures were subject to significant provisioning, mainly on performing exposures. This provisioning is then updated throughout each quarter.

2. NOTES TO THE PARENT-COMPANY FINANCIAL STATEMENTS

NOTE 1: ACCOUNTING POLICIES AND PRINCIPLES

Crédit Agricole CIB's financial statements are prepared in accordance with the accounting principles applicable in France to banking institutions and with the rules defined by Crédit Agricole S.A., acting as the central institution responsible for adapting the general principles to the specific characteristics of the Crédit Agricole Group.

The presentation of the financial statements of Crédit Agricole CIB complies with the provisions of ANC Regulation 2014-07, which combines in a single regulation all accounting standards applicable to credit institutions.

1.1 Loans and financing commitments

Amounts due from credit institutions, the Crédit Agricole Group entities and customers are covered by ANC Regulation 2014-07.

They are presented in the financial statements according to their initial term or their nature:

- demand and term loans to credit institutions;
- current accounts, term accounts and advances for Crédit Agricole internal transactions;
- trade receivables and other loans and receivables granted to customers.

The Customers category includes transactions with financial customers.

Subordinated loans and repurchase agreements (represented by certificates or securities) are included under the various categories of loans and receivables according to counterparty type (interbank, Crédit Agricole internal transactions, customers).

Amounts due from credit institutions and customers are recorded on the balance sheet at their nominal value, including accrued interest not yet due.

Accrued interest is recognised under the related accounts receivable and taken to profit or loss.

Pursuant to ANC Regulation 2014-07, fees received and marginal transaction costs incurred are spread over the effective term of the loan and are thus included in the relevant loan outstanding.

Financing commitments recognised off-balance sheet represent irrevocable commitments to provide cash advances and guarantee commitments that have not resulted in fund movements.

The accounting treatment of credit risk is defined below.

External and/or internal rating systems are used to assess the level of credit risk.

Loans and financing commitments are broken down between performing and non-performing loans and receivables.

PERFORMING LOANS AND RECEIVABLES

Unless receivables are classified as irrecoverable, they are considered as performing or non-performing and continue to be carried under their original classification.

◆ Credit risk provisions for performing and non-performing loans

Crédit Agricole CIB records provisions on the liabilities side of its balance sheet to cover 12-month expected credit losses (performing exposures) and/or lifetime expected credit losses when the credit quality has deteriorated significantly (non-performing exposures).

These provisions are determined in a specific monitoring process and are based on estimates of the expected credit loss.

◆ Expected Credit Loss (ECL)

The ECL is the present value of probability-weighted estimated credit losses (principal and interest). It is the present value of the difference between contractual cash flows and expected cash flows (including principal and interest).

The ECL approach aims to recognise expected credit losses as soon as possible.

◆ Governance and measurement of ECL

The governance of the provisioning measurement system is based on the organisation set up under the Basel framework. The Crédit Agricole Group Risk Department is responsible for defining the methodological framework and for the supervision of the mechanism for impairment of exposures.

Crédit Agricole Group relies primarily on the internal rating system and the current Basel processes to generate the risk parameters needed to calculate expected credit losses. The assessment of changes in credit risk is based on a model that anticipates losses, and extrapolation on the basis of reasonable scenarios. All available, relevant, reasonable and justifiable information, including forward looking information, is used.

The ECL estimate incorporates probability of default, loss given default and exposure at default parameters.

Impairment is largely based on internal models used for prudential monitoring, where they exist, with adjustments to determine an economic ECL.

The accounting approach also involves recalculating certain Basel parameters, in particular to neutralise internal collection costs or floors imposed by the regulatory authorities for regulatory loss given default (LGD) calculations.

The methods for determining expected credit losses are to be assessed according to the types of products: loans and receivables due from customers and off-balance sheet instruments.

The 12-month expected credit loss is a portion of lifetime expected credit losses, representing the lifetime cash flow shortfall occurring from a default within 12 months of the reporting date (or a shorter period if the exposure's expected life is shorter than 12 months), weighted by the probability of default within 12 months.

The expected credit loss is discounted using the effective interest rate (EIR) determined on initial recognition of the financial instrument.

The ECL measurement methods take into account assets pledged as collateral and other credit enhancements that form part of the contractual terms and conditions and which Crédit Agricole CIB does not recognise separately. The estimation of the expected cash flow shortfalls from a guaranteed financial instrument reflects the amount and timing of the recovery of the guarantees. Recognition of guarantees and collateral does not affect the assessment of a significant increase in credit risk: this is based on changes in the debtor's credit risk without taking into account guarantees.

The provisioning parameters are measured and updated according to methodologies defined by Crédit Agricole Group and are used to establish an initial level of reference, or shared base, for provisioning.

Backtesting of models and parameters used is carried out at least once a year.

Forward-looking macro-economic data are taken into account in a methodological framework applicable at two levels:

- at the Crédit Agricole Group level, in determining a shared framework for considering forward-looking information in the projection of PD and LGD inputs over the amortisation period;
- at the level of each entity with regard to its own portfolios. Crédit Agricole CIB applies additional forward looking parameters on portfolios of loans and receivables due from customers and performing and non-performing financing commitments when local economic and/or structural factors expose it to additional losses not covered by the scenarios defined at the Group level.

Significant increase in credit risk

Crédit Agricole CIB assesses the increase in credit risk of each exposure since inception at each closing date. This assessment of changes in credit risk enables entities to classify their transactions into risk buckets (performing exposures / non-performing exposures / impaired exposures).

To determine a significant increase in credit risk, Crédit Agricole Group applies a process with two levels of analysis:

- a first level, dependent on relative and absolute rules and criteria;
- a second level specific to each entity related to the assessment, based on an expert opinion of additional forward looking parameters when local economic and/or structural factors expose it to additional losses not covered by the scenarios defined at the Group level, of the risk borne by each entity on its portfolios which could lead to an adjustment of the Group's criteria for downgrading performing exposures to non-performing exposures (by transferring the portfolio or sub-portfolio to lifetime ECL).

The significant increase in credit risk is monitored for every financial instrument without exception. No contagion is required for a financial instrument from the same counterparty to be transferred from performing to non-performing. Monitoring of the significant deterioration in credit risk must cover the primary debtor, without taking into account guarantees, even for transactions guaranteed by the shareholder.

For exposures comprised of small loans with similar characteristics, the review by counterparty may be replaced by a statistical estimate of expected losses.

To measure the significant increase in credit risk since initial recognition, it is necessary to retrieve the internal rating and the probability of default (PD) applied on initial recognition.

The date of initial recognition refers to the trading date, when the entity becomes a party to the contractual provisions of the loan. For financing and guarantee commitments, the date of initial recognition is the date on which the irrevocable commitment is made.

For exposures not covered by an internal rating model, Crédit Agricole Group uses amounts past due for more than 30 days as the ultimate threshold representing a significant increase in credit risk leading to classification as a non-performing exposure.

For exposures measured using an internal rating system (particularly those monitored using advanced methods), Crédit Agricole Group considers that all of the information included in the rating system enables a more relevant assessment than just the criteria of arrears of over 30 days.

If the deterioration in credit risk since initial recognition is no longer observed, the impairment can be reclassified to 12-month expected credit losses (stage 1).

In order to compensate for the fact that certain factors or indicators of a significant increase in credit risk are not identifiable at the level of a financial instrument considered separately, the standard authorises an assessment of a significant increase in credit risk for portfolios, groups of portfolios or portions of portfolios of financial instruments.

The establishment of portfolios for an assessment of collective impairment can be based on common characteristics such as:

- the type of exposure;
- the credit risk rating (including the Basel II internal rating for entities with an internal rating system);
- the type of guarantee;
- the date of initial recognition;
- the term to maturity;
- the sector of activity;
- the geographic location of the borrower;
- the value of the asset allocated as a guarantee in relation to the financial assets, if this has an effect on the probability of default (for example, in the case of loans guaranteed only by real security in certain countries, or the loan-to-value ratio);
- the distribution channel, the purpose of the loan, etc.

The grouping of financial instruments for the purpose of assessing changes in credit risk on a collective basis may change over time as new information becomes available.

Allocations to and reversals of provisions for credit risk on performing and non-performing exposures are booked as cost of risk.

NON-PERFORMING LOANS AND RECEIVABLES

Loans and receivables of any kind, even those which are guaranteed, are classified as non-performing if they carry an identified credit risk arising from one of the following events:

- payment is significantly past due, i.e. generally more than 90 days past due, unless special circumstances show that the payment is past due for reasons not related to the debtor's situation;
- the entity deems it unlikely that the debtor will fully honour its credit obligations without the use of measures such as enforcement of collateral.

A loan is deemed to be non-performing when one or more events have occurred which have a negative effect on future estimated cash flows. The following events constitute observable data indicative of a non-performing loan:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or a past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- the rising probability that the borrower will enter bankruptcy or financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties;
- the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

A loan can be considered as non-performing due to the combined effect of multiple events.

A counterparty in default only returns to performing status after an observation period that confirms that the borrower is no longer at risk.

Crédit Agricole CIB distinguishes between irrecoverable exposures and non-performing exposures.

Non-performing loans

These are all non-performing loans which do not fall into the irrecoverable loans category.

Irrecoverable loans

These are non-performing loans whose collection is deemed to be highly unlikely and for which a write-off is considered.

For non-performing loans, interest continues to accrue as long as the loan is considered non-impaired and will no longer accrue when the loan becomes irrecoverable.

The classification as a non-performing loans may be discontinued, in which case the outstanding amount is reclassified as a performing loan.

Impairment resulting from credit risk on non-performing loans

Once a loan is classified as non-performing, Crédit Agricole CIB recognises the probable loss by recording an impairment charged against assets on the balance sheet. These impairment losses represent the difference between the carrying amount of the receivable and estimated future cash flows discounted at the initial effective interest rate, taking into account the borrower's financial condition, its business prospects and any guarantees, after deduction of the cost of enforcing such guarantees.

Probable losses in respect of off-balance sheet commitments are covered by provisions recognised in liabilities of the balance sheet.

Accounting treatment of impairment losses

Allocations to and reversals of impairment for the risk of non-collection of non-performing loans is recognised in cost of risk.

In accordance with ANC Regulation 2014-07, the Group has elected to recognise the effects of impairment reversal in cost of risk.

WRITE-OFFS

The assessment of the write-off period is based on expert judgement, Crédit Agricole CIB determines it with its Risk Division, based on its knowledge of its activity.

Loans and receivables which have become irrecoverable are recorded as losses, and the corresponding impairments are reversed.

COUNTRY RISKS

Country risks (or risks on international commitments) represent the total amount of non-impaired on and off-balance sheet commitments carried by an institution, either directly or via hive-off vehicles, involving private or public debtors residing in the countries identified by the French Prudential Supervision and Resolution Authority (ACPR), or where settlement thereof depends on the position of public or private debtors residing in those countries. When these receivables are not classified as non-performing, they continue to be carried under their original classification.

RESTRUCTURED LOANS

Loans restructured due to financial difficulties are those for which the entity has changed the initial financial terms (interest rate, maturity, etc.) for economic or legal reasons related to the borrower's financial difficulties, in a manner that would not have been considered under other circumstances.

The definition of receivables restructured due to financial difficulties therefore involves two cumulative criteria:

- contractual modifications or refinancing of receivables (where concessions are granted);
- a customer in financial difficulty (a debtor experiencing, or about to experience, difficulties in meeting their financial commitments).

Restructuring must be assessed at the level of the contract and not at the customer level (no contagion).

They can be non-performing or performing at the restructuring date.

Restructured loans do not include loans whose characteristics have been renegotiated on a commercial basis with counterparties not showing any insolvency problems or financial hardship. Renegotiated loans are derecognised. The remaining portion of commissions received and marginal transaction costs subject to deferral is recognised in the income statement at the date of renegotiation, insofar as it is considered that a new loan has been set up.

The reduction of future cash flows granted to a counterparty, or the postponing of these flows as part of a restructuring, results in the recognition of a discount. It corresponds to the shortfall in future cash flows, discounted at the original effective rate. It is equal to the difference between:

- the nominal value of the loan;
- and the sum of theoretical future cash flows from the restructured loan, discounted at the original effective interest rate (defined at the date of the financing commitment).

The discount recognised when a loan is restructured is recorded as a deduction from assets under cost of risk.

Loans restructured due to the debtor's financial position are rated in line with the Basel rules and are impaired according to the estimated credit risk.

As soon as the restructuring operation has been carried out, the exposure maintains this status of "restructured" for a period of at least two years if the exposure was performing at the time of the restructuring, or three years if the exposure was in default at the time of the restructuring. These periods are extended if certain events occur (new incidents, for example).

1.2 Securities portfolio

The rules governing the recognition of credit risk and the impairment of fixed-income securities are defined by Articles 2311-1 to 2391-1 and Articles 2211-1 to 2251-13 of ANC Regulation 2014-07.

These securities are presented in the financial statements according to their nature: treasury bills (treasury bonds and similar securities), bonds and other fixed income securities (negotiable debt securities and interbank market instruments), equities and other variable income securities.

They are classified in the portfolios specified by the regulations (trading, long term investment securities, short term investment securities, medium term investment securities, fixed assets, other long term securities, equity investments, shares in subsidiaries and affiliates) according to the entity's management strategy and the characteristics of the instrument at the time of its purchase.

TRADING SECURITIES

These are securities that were originally:

- either purchased with the intention of selling them in the near future, or sold with the intention of repurchasing them in the near future;
- or held by the bank as a result of its market-making activity. The classification of these securities as trading securities depends on the effective turnover of the securities and on a significant trading volume taking into account market opportunities.

These securities must be tradable on an active market and resulting market prices must represent real transactions regularly undertaken in the market on an arm's length basis.

Trading securities also include:

- securities bought or sold as part of specialised management of the trading portfolio, including forward financial instruments, securities or other financial instruments that are managed together and which show indications of a recent short term profit-taking profile;
- securities on which there is a commitment to sell as part of an arbitrage transaction on an organised or similar market;
- borrowed securities (including, where applicable, borrowed securities subsequently loaned and reclassified as "trading securities lent") in connection with lending/borrowing transactions classified as trading securities and offset against the liabilities representing the borrowed securities recorded on the liabilities side of the balance sheet.

Except as provided in ANC Regulation 2014-07, trading securities may not be reclassified into another accounting category and they continue to be presented and measured as trading securities until they are removed from the balance sheet after being sold, fully redeemed or written off.

Trading securities are recognised on the date they are purchased for the amount of their purchase price, excluding transaction expenses and including accrued interest.

Liabilities relating to securities sold short are recognised on the liabilities side of the seller's balance sheet for the amount of the selling price excluding incidental purchase costs.

At each closing date, securities are measured at the most recent market price. The overall amount of differences resulting from price changes is taken to profit and loss and recorded in "Net gain/(loss) on trading book".

SHORT TERM INVESTMENT SECURITIES

This category consists of securities that do not fall into any other category.

The securities are recorded at their purchase price, excluding fees.

◆ Bonds and other fixed income securities

These securities are recognised at acquisition cost including accrued interests at acquisition date. The difference between the purchase price and the redemption value is spread over the remaining life of the security on an actuarial basis.

Income is recorded in the income statement under: "Interest and similar income on bonds and other fixed income securities".

◆ Equity and other variable income securities

Equities are recognised in the balance sheet at their purchase price excluding acquisition fees. The associated dividends are recorded as income under "Income from variable-income securities".

Revenues from Undertakings for Collective Investment in Transferable Securities (UCITS) are recorded in the same item at the time of collection.

At the closing date, short term investment securities are measured at the lowest between acquisition cost and market value. If the current value of an item or a group of similar securities (calculated from market prices at the reporting date, for example) is lower than its carrying amount, an impairment loss is recorded for the unrealised loss with no offsetting against any gains recognised on other categories of securities. Gains from hedging within the meaning of ANC Regulation 2014-07, in the form of purchases or sales of forward financial instruments, are factored in for the purposes of calculating impairment losses. Potential gains are not recorded.

Impairment intended to take into account counterparty risk and recognised under cost of risk is recognised on fixed income securities as follows:

- in the case of listed securities, impairment is based on market value, which intrinsically reflects credit risk. However, if Crédit Agricole CIB has specific information on the issuer's financial position that is not reflected in the market value, a specific impairment loss is recorded;
- in the case of unlisted securities, impairment is recorded in the same way as on loans and receivables due from customers based on identified probable losses (see Note 1.1 Loans and financing commitments – Impairment of non-performing exposures due to credit risk).

Sales of securities are deemed to take place on a first-in, first-out basis.

Impairment charges and disposal gains or losses on short term investment securities are recorded under "Net gain/(loss) from investment portfolios and similar" of the income statement.

LONG-TERM INVESTMENT SECURITIES

Long term investment securities are fixed income securities with a fixed maturity date that have been acquired or transferred to this category with the clear intention of holding them until maturity.

This category only includes securities for which Crédit Agricole CIB has the necessary financial ability to continue holding them until maturity and that are not subject to any legal or other restriction that could interfere with its intention to hold them until maturity.

Long term investment securities are recognised at their purchase price, excluding acquisition costs and including accrued interest.

The difference between the purchase price and the redemption price is spread over the remaining life of the security.

Impairment is not recognised for long term investment securities if their market value falls below cost. However, if the impairment is associated with a risk specific to the issuer of the security, an impairment is recorded under "Cost of risk."

In the case of the sale or reclassification to another category of long term investment securities representing a material amount, the reporting entity is no longer authorised to classify securities previously bought or to be bought as long term investment securities during the current financial year and the two subsequent financial years, in accordance with ANC Regulation 2014-07.

MEDIUM TERM PORTFOLIO SECURITIES

In accordance with ANC Regulation 2014-07, these securities are "investments made on a regular basis, with the sole aim of securing a capital gain in the medium term, with no intention of investing in the issuer's business on a long term basis or taking an active part in its management".

Securities can only be included in this category if the activity is carried out to a significant extent and on an ongoing basis within a structured framework and gives the reporting entity a recurring return mainly in the form of capital gains on disposals.

Crédit Agricole CIB meets these conditions and some of its securities can be classified in this category.

Medium term portfolio securities are recorded at purchase price, excluding transaction expenses.

They are recognised at the end of the reporting period at the lower of historical cost or value in use, which is determined on the basis of the issuer's general outlook and the estimated remaining time horizon for holding the securities.

For listed companies, value in use is generally the average quoted price over a sufficiently long period of time, depending on the estimated time horizon for holding the securities, to mitigate the impact of substantial fluctuations in stock prices.

Impairment losses are booked for any unrealised losses calculated for each line of securities, and are not offset against any unrealised gains. Unrealised losses are recorded under "Net gains or losses on short term investment portfolios" along with impairment losses and reversals on these securities.

Unrealised gains are not recognised.

INVESTMENTS IN SUBSIDIARIES AND AFFILIATES, EQUITY INVESTMENTS AND OTHER LONG TERM EQUITY INVESTMENTS

- Investments in subsidiaries and affiliates are investments in companies that are under exclusive control and that are or are liable to be fully consolidated into a given group.
- Equity investments are investments (other than investments in subsidiaries and affiliates), of which the long term ownership is judged beneficial to the reporting entity, in particular because it allows it to exercise influence or control over the issuer.
- Other long term equity investments are composed of securities held with the intention of promoting long term business relations by creating a special relationship with the issuer, but with no influence on the issuer's management due to the small percentage of voting rights held.

Investments in subsidiaries and affiliates and equity investments are recognised at their purchase price, including costs, in accordance with CRC 2008-07. Other long-term securities are recognised at their purchase price excluding costs.

At the reporting date, the value of these securities is measured individually, based on value in use, and they are recorded in the balance sheet at the lowest of their historical cost or value in use.

Value in use represents the price the reporting entity would be prepared to pay to acquire these securities if it had to buy them having regard to its reasons for holding them.

Value in use may be estimated on the basis of various factors such as the issuer's profitability and prospective profitability, its equity, the economic environment, the average share price in the preceding months or the mathematical value of the security.

When value in use is lower than historical cost, impairment losses are booked for these unrealised losses and are not offset against any unrealised gains.

Impairment losses and reversals and disposal gains or losses on these securities are recorded under "Net gains (losses) on fixed assets".

MARKET PRICE

The market price at which the various categories of securities are measured is determined as follows:

- securities traded on an active market are measured at the latest price;
- if the market on which the security is traded is not or no longer considered active or if the security is unlisted, Crédit Agricole CIB determines the likely value at which the security concerned would be traded using valuation techniques. Firstly, these techniques take into account recent transactions carried out on an arm's length basis. If required, Crédit Agricole CIB uses valuation techniques commonly used by market participants to price these securities, when it has been demonstrated that these techniques provide reliable estimates of prices obtained in actual market transactions.

RECORDING DATES

Crédit Agricole CIB records securities classified as long term investment securities on the settlement/delivery date. Other securities, regardless of type or classification, are recognised on the trading date.

SECURITIES SOLD/BOUGHT UNDER REPURCHASE AGREEMENTS

Securities sold under repurchase agreements are kept on the balance sheet. The amount received, representing the liability to the buyer, is recorded as a liability on the balance sheet.

Securities purchased under resale agreements are not recorded on the balance sheet, but the amount disbursed, representing the receivable from the seller, is recorded on the asset side of the balance sheet.

The corresponding income and expenses are taken to profit and loss on a pro rata basis.

Securities sold under repurchase agreements are subject to the accounting principles corresponding to the category of portfolio from which they originate.

7

SECURITIES LOANED AND BORROWED

In the accounts of the lender, a receivable is recorded in the balance sheet representing the market price of the loaned securities on the date of the loan, in place of the loaned securities. At each closing date, the receivable is measured using the rules applicable to loaned securities, including the recognition of accrued interest on short term and long term investment securities. In the accounts of the borrower, the security is recorded as an asset under trading securities at the market price prevailing on the date the security was borrowed. A liability to the lender is recorded on the balance sheet under “Liabilities relating to securities lending transactions”. At each closing date, the liability and the securities are measured at the most recent market price and recorded for their net amount on the balance sheet, in accordance with ANC Regulation No. 2020-10, amending ANC Regulation No. 2014-07 on the netting of securities borrowing transactions.

RECLASSIFICATION OF SECURITIES

In accordance with ANC Regulation 2014-07, the following securities may be reclassified:

- from the trading portfolio to the long term investment portfolio or the short term investment portfolio in the case of exceptional market conditions or, for fixed income securities that are no longer tradable in an active market and if the entity has the intention and ability to hold the securities for the foreseeable future or until maturity;
- from the short term investment portfolio to the long term investment portfolio in exceptional market conditions or for fixed income securities that are no longer tradable in an active market.

In 2023, Crédit Agricole CIB did not make this type of reclassification pursuant to ANC Regulation 2014-07.

1.3 Fixed assets

Crédit Agricole CIB applies ANC Regulation 2014-03 relating to the amortisation and impairment of assets.

It applies component accounting for all of its property, plant and equipment. In accordance with this text, the depreciable base takes into account the potential remaining value of property, plant and equipment.

The acquisition cost of fixed assets includes the purchase price plus any incidental expenses, namely expenses directly or indirectly incurred in connection with bringing the asset into service or “into inventory”.

Land is recorded at acquisition cost.

Buildings and equipment are recorded at acquisition cost, less depreciation, amortisation and impairment losses accumulated over the period of use.

Purchased software is measured at purchase price less accumulated depreciation, amortisation and any impairment losses since acquisition.

Proprietary software is measured at cost less accumulated depreciation, amortisation and impairment losses booked since completion.

Intangible assets other than software, patents and licences are not amortised. They may be subject to impairment.

The technical merger losses are recognised in the balance sheet according to the asset classes to which they are allocated, under “Other property, plant and equipment, intangible assets and financial assets, etc.” The loss is amortised, impaired and written off in the same way as the underlying asset.

Fixed assets are impaired over their estimated useful lives.

The following components and depreciation periods have been adopted by Crédit Agricole CIB following the application of component accounting for fixed assets. These depreciation periods are adjusted according to the type of asset and its location:

Component	Depreciation period
Land	Not depreciable
Structural works	30 to 80 years
Non-structural works	8 to 40 years
Plant and equipment	5 to 25 years
Fixtures and fittings	5 to 15 years
Computer equipment	4 to 7 years (accelerated or straight-line)
Special equipment	4 to 5 years (accelerated or straight-line)

Based on available information on the value of its fixed assets, Crédit Agricole CIB has concluded that impairment testing would not lead to any change in the existing depreciable amount.

1.4 Amounts due to customers and credit institutions

Amounts due to credit institutions, to Crédit Agricole entities and to customers are presented in the financial statements according to their remaining maturity or their nature:

- demand and term deposits for credit institutions;
- current accounts, term accounts and advances for Crédit Agricole internal transactions;
- special savings accounts and other amounts due to customers (notably including financial customers).

Repurchase agreements (represented by certificates or securities) are included under these various headings, according to counterparty type.

Accrued interest on these deposits is taken to profit or loss.

1.5 Debt securities

Debt securities are presented according to their form: interest-bearing notes, interbank market instruments, negotiable debt securities, bonds and other debt securities, excluding subordinated securities, which are classified in liabilities under “Subordinated debt”.

Accrued interest not yet due is taken to profit or loss.

Issuance or redemption premiums on bonds are amortised over the lifetime of each bond. The corresponding expense is recorded under “Interest and similar expenses on bonds and other fixed income securities”.

Redemption premiums and issuance premiums for debt securities are amortised according to the actuarial amortisation method.

Crédit Agricole CIB also amortises borrowing expenses in its parent company’s financial statements.

Financial services fees paid to the Regional Banks are recognised as expenses under “Fee and commission expenses”.

1.6 Provisions

Crédit Agricole CIB applies ANC Regulation 2014-03 for the recognition and measurement of provisions.

Provisions include provisions relating to financing commitments, retirement and early retirement liabilities, litigation and various risks.

The provisions also include country risks. All these risks are reviewed quarterly.

Provisions are set aside for country risks following an analysis of the types of transactions, the term of commitments, their form (receivables, securities, market products) as well as the country risk rating.

Crédit Agricole CIB partially hedges provisions on these foreign currency-denominated receivables by buying foreign currency, to limit the impact of changes in foreign exchange rates on provision levels.

1.7 Transactions in forward financial instruments

Hedging and market transactions in forward interest rate, foreign exchange or equity instruments are recorded in accordance with the provisions of ANC Regulation 2014-07.

Commitments relating to these transactions are recorded off-balance sheet at the par value of the contracts: this amount represents the volume of pending transactions.

Gains or losses relating to these transactions are recorded on the basis of the nature of the instrument and the strategy used:

HEDGING TRANSACTIONS

Gains or losses realised on hedging transactions (category “b” Article 2522-1 of ANC Regulation 2014-07) are recorded in the income statement in the same manner as income and expenses on the hedged item and under the same accounting heading.

Income and expenses relating to forward financial instruments used for hedging and managing Crédit Agricole S.A.’s overall interest rate risk (category “c” Article 2522-1 of ANC Regulation 2014-07) are recorded pro rata under “Interest and similar income (expenses) – Net gain/(loss) on macro-hedging transactions”. Unrealised gains and losses are not recorded.

MARKET TRANSACTIONS

Market transactions include:

- isolated open positions (category “a” of Article 2522-1 of ANC Regulation 2014-07);
- the specialised management of a trading portfolio (category “d” Article 2522 of ANC Regulation 2014-07);
- instruments traded on an organised or similar market, over the counter or included in a trading portfolio – within the meaning of ANC Regulation 2014-07.

They are marked to market on the closing date.

If there is an active market, the instrument is stated at the quoted price on that market. In the absence of an active market, fair value is determined using internal valuation techniques and models.

For instruments:

- in isolated open positions traded on organised or similar markets, all gains and losses (realised or unrealised) are recognised;
- in isolated open positions traded on over-the-counter markets, the expenses and incomes are recognised in profit and loss on a pro rata basis. Furthermore, only potential unrealised losses are recognised through a provision. Realised gains and losses are recognised in profit (loss) at the time of settlement;
- forming part of a transaction portfolio, all gains and losses (realised or unrealised) are recognised.

COUNTERPARTY RISK ON DERIVATIVE INSTRUMENTS

In accordance with ANC Regulation 2014-07, Crédit Agricole CIB includes the assessment of counterparty risk on derivative assets in the market value of derivatives. For this reason, only derivatives recognised as isolated open positions and in trading portfolios (respectively, derivatives classified in categories a and d of Article 2522-1 of the aforementioned regulation) are subject to a calculation of counterparty risk on derivative assets. (CVA - Credit Valuation Adjustment).

The CVA makes it possible to calculate counterparty losses expected by Crédit Agricole CIB.

The CVA is calculated on the basis of an estimate of expected losses based on the probability of default and loss given default. The methodology used maximises the use of observable market inputs.

It is based on:

- primarily market data such as registered and listed CDS (or Single Name CDS) or index-based CDS;
- in the absence of registered CDS on the counterparty, an approximation based on a basket of Single Name CDS of counterparties with the same rating operating in the same sector and located in the same area.

In some circumstances, historical default data may also be used.

FUNDING VALUATION ADJUSTMENT

The value of non-collateralised or partially collateralised derivative instruments incorporates a Funding Valuation Adjustment (FVA) that represents costs and benefits related to the financing of these instruments. This adjustment is measured based on positive or negative future exposure of transactions for which a cost of financing is applied.

OTHER INTEREST RATE OR EQUITY TRANSACTIONS

Crédit Agricole CIB uses various instruments such as interest rate futures and equity derivatives for trading or specific hedging purposes.

Contracts concluded for trading purposes are measured at market value, and the corresponding gains or losses are taken to the income statement.

Gains or losses, realised or unrealised, resulting from the mark-to-market measurement of specific hedging contracts are spread over the maturity life of the hedged instrument.

CREDIT DERIVATIVES

Crédit Agricole CIB uses credit derivatives mainly for trading, in the form of Credit Default Swaps (CDS). CDS concluded for trading purposes are measured at market value, and the corresponding gains or losses are taken to the income statement.

1.8 Foreign currency transactions

At each closing date, receivables and liabilities, as well as forward foreign exchange contracts recorded as off-balance-sheet commitments denominated in foreign currencies, are translated at the exchange rate in force on the reporting date.

Income received and expenses paid are recognised at exchange rates on the day of the transaction. Accrued income and expenses not yet due are translated at the closing rates.

Assets in foreign currencies held long term, comprising allocations to branches, fixed assets, investment securities, subsidiaries' securities and equity investments in foreign currency financed in euros are translated at the exchange rates on the date of acquisition (historical). A provision may be recognised if there is a permanent deterioration in the exchange rate affecting Crédit Agricole CIB's foreign equity interests.

At each reporting date, forward foreign exchange transactions are measured at the relevant forward exchange rate. Recognised gains or losses are taken to the income statement under "Gains or losses on trading book - Gains (losses) on foreign currency transactions and similar financial instruments".

Pursuant to the implementation of ANC Regulation 2014-07, Crédit Agricole CIB has instituted multi-currency accounting to enable it to monitor its currency position and to measure its exposure to foreign exchange risk.

The overall amount of the operational foreign exchange position of Crédit Agricole CIB stood at -€1,921 million at 31 December 2023, versus -€924 million at 31 December 2022.

SPOT AND FORWARD FOREIGN EXCHANGE CONTRACTS

At each closing date, spot foreign exchange contracts are measured at the spot exchange rate of the currency concerned. Forward foreign exchange transactions categorised as trading transactions are recognised at market value using the forward rate applicable to the remaining period of the contract. Recorded net gains or losses are recognised in the income statement under "Net gain/(loss) from trading portfolios – foreign exchange and similar financial instruments". Net gains and losses on forward foreign exchange transactions that are categorised as spot exchange transactions in connection with loans and borrowings are recognised on a pro rata basis over the term of the contracts.

CURRENCY FUTURES AND OPTIONS

Currency futures and options are used for trading purposes as well as to hedge specific transactions. Contracts concluded for trading purposes are measured at market value, and the corresponding gains or losses are taken to the income statement. Realised or unrealised gains or losses resulting from the mark-to-market valuation of specific hedging contracts are recognised in the same manner as the hedged transaction.

1.9 Consolidated of foreign branches

Branches keep separate accounts that comply with the accounting rules in force in the countries in which they are based.

At each reporting date, foreign branches' balance sheets and income statements are adjusted according to French accounting rules, converted into euros and integrated with the accounts of their head office after eliminating intra-group transactions.

The rules for conversion into euros are as follows:

- balance sheet items are translated at the closing rate;
- income and expenses paid and received are recorded at the exchange rate on the transaction date, whereas accrued income and expenses are translated at the average rate of the period.

Gains or losses resulting from this translation are recorded in the balance sheet under "Accruals, prepayments and sundry assets" or "Accruals, deferred income and sundry liabilities".

1.10 Off-balance sheet commitments

Off-balance sheet items mainly reflect the unused portion of given and received financing commitments and guarantee commitments.

An expense is recognised as provisions for given commitments if there is a probability that calling in the commitment will result in a loss for Crédit Agricole CIB.

Reported off-balance sheet items do not mention commitments on forward financial instruments or foreign exchange transactions. Similarly, they do not include received commitments concerning treasury bonds, similar securities and other securities pledged as collateral.

1.11 Employee profit-sharing and incentive plans

Employee profit-sharing is recognised in the income statement in the financial year in which the employees' rights are earned.

Incentive plans are covered by a company-wide agreement.

Profit-sharing and incentives are included in "Employee expenses".

1.12 Post-employment benefits

Commitments concerning retirement, early retirement and retirement benefits – defined benefit plans

Crédit Agricole CIB applied ANC Recommendation 2013-02 relating to the measurement and recognition of retirement and similar benefit obligations, such recommendation having then been repealed and incorporated in ANC Regulation 2014-03.

This recommendation was amended by the ANC on 5 November 2021. For defined benefit plans that subject benefits to conditions of seniority, for a maximum capped amount, and the employee's continued employment by the entity upon reaching retirement age, the recommendation allows the distribution of benefits to be determined on a straight-line basis based on:

- either the date on which the employee began employment;
- or the date from which each year of employment is included in the calculation for the vesting of benefits.

In accordance with this regulation, Crédit Agricole CIB sets aside provisions to cover its retirement and similar benefit obligations falling within the category of defined-benefit plans.

These obligations are measured on the basis of actuarial, financial and demographic assumptions, and in accordance with the projected unit credit method. This charge is calculated based on the discounted future benefit.

Since financial year 2021, Crédit Agricole CIB has applied the determination of the distribution of benefits on a straight-line basis from the date on which each year of employment is included in the calculation for the vesting of benefits (i.e. convergence with the IFRS IC decision of April 2021 on IAS 19).

Crédit Agricole CIB elected to immediately recognise the actuarial gains and losses in profit or loss, and accordingly the amount of the provision is equal to:

- the present value of the defined benefit obligation at the reporting date, calculated using the actuarial method recommended by the regulation;
- minus the fair value of plan assets, as applicable. These may be represented by an eligible insurance policy. In the

event that the obligation is fully covered by such a policy, the fair value of the policy is deemed to be the value of the corresponding obligation, i.e. the amount of the corresponding actuarial liability.

RETIREMENT PLANS – DEFINED CONTRIBUTION PLANS

There are various mandatory pension plans to which employers contribute. The funds are managed by independent organisations and the contributing companies have no legal or implied obligation to pay additional contributions if the funds do not have sufficient assets to provide all the benefits corresponding to the services rendered by staff during the current and previous years.

As a result, Crédit Agricole CIB has no liability in this respect other than the contributions payable for the past financial year.

The amount of contributions under the terms of these pension schemes is shown under “Employee expenses”.

1.13 Subscription to shares offered to employees as part of the Company Savings Scheme

SUBSCRIPTIONS TO SHARES AS PART OF THE COMPANY SAVINGS SCHEME

Subscriptions to shares offered to employees under the Company Savings Scheme, with a maximum discount of 30%, do not include a vesting period but may not be sold or transferred for five years. These subscriptions to shares are recognised in accordance with provisions relative to capital increases.

1.14 Extraordinary income and expenses

These comprise income and expenses that are extraordinary in nature and relate to transactions that do not form part of Crédit Agricole CIB’s ordinary activities.

1.15 Income tax charge

Generally, only tax that is payable is recognised in the parent company financial statements.

The tax expense shown in the income statement corresponds to income tax payable for the financial year. It includes the social security contribution on profits.

Income from receivables and securities portfolios is recognised net of tax credits.

Wholly-owned, directly or indirectly, by the Crédit Agricole Group, Crédit Agricole CIB is part of the tax consolidation group constituted by Crédit Agricole Group and is the head of the Crédit Agricole CIB sub-group constituted with the subsidiaries that are members of the tax consolidation group.

Crédit Agricole CIB has signed a tax consolidation agreement with Crédit Agricole S.A. Under the terms of the agreement, the deficits generated by all subsidiaries of the Crédit Agricole CIB sub-Group will be compensated by Crédit Agricole.

When tax credits on income from securities portfolios and amounts receivable are effectively used to pay income tax due for the year, they are recognised under the same heading as the income with which they are associated. The corresponding tax charge is kept under the heading “Income tax charge” in the income statement.

NOTE 2: LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS - ANALYSIS BY RESIDUAL MATURITY

	31.12.2023							31.12.2022
€ million	≤ 3 months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Loans and receivables:								
- Demand	7,570	-	-	-	7,570	48	7,618	6,782
- Time	17,763	28,532	7,977	4,028	58,300	462	58,762	54,092
Pledged securities								
Securities bought under repurchases agreements	46,723	12,494	12,086	-	71,303	691	71,994	62,421
Subordinated debt	-	-	140	224	364	2	366	345
Total	**72,056**	**41,026**	**20,203**	**4,252**	**137,537**	**1,203**	**138,740**	**123,640**
Impairment					(310)	(69)	(379)	(382)
Net carrying amount[1]					**137,227**	**1,134**	**138,361**	**123,258**

[1] Among related parties, the main counterparty is Crédit Agricole S.A. (€55,584 million at 31.12.2023 and €49,026 million at 31.12.2022).

NOTE 3: LOANS AND RECEIVABLES DUE FROM CUSTOMERS

3.1 Analysis by residual maturity

	31.12.2023							31.12.2022
€ million	≤ 3 months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Trade receivables	11,476	5,975	9,287	2,881	29,619	174	29,793	33,307
Other customer loans [1]	19,633	14,039	58,219	16,714	108,605	922	109,527	107,909
Pledged securities	-	-	-	-	-	-	-	-
Securities bought under repurchases agreements	79,123	15,977	3,951	360	99,411	712	100,123	63,734
Current accounts in debit	612	-	-	-	612	4	616	1,974
Impairment					(1,377)	(247)	(1,624)	(1,880)
Net carrying amount					**236,870**	**1,565**	**238,435**	**205,044**

[1] Subordinated loans granted to customers amounted to €306 million at 31.12.2023 compared to €326 million at 31.12.2022.

3.2 Analysis by geographic area

€ million	31.12.2023	31.12.2022
France (including overseas departements and territories)	36,283	38,711
Other EU countries	40,545	36,222
Rest of Europe	22,320	19,134
North America	49,864	38,413
Central and South America	16,536	12,951
Africa and Middle-East	13,500	12,751
Asia and Pacific (excl. Japan)	19,986	23,316
Japan	39,213	24,353
Supranational organisations	-	-
Total principal	**238,247**	**205,851**
Accrued interest	1,812	1,073
Impairment	(1,624)	(1,880)
Net carrying amount	**238,435**	**205,044**

3.3 Doubtful loans, bad debts and impairment by geographic area

€ million	31.12.2023					
	Gross outstandings	Of which doubtful loans and receivables	Of which bad debts	Impairments of doubtful loans and receivables	Impairments of bad debts	Coverage %
France (including overseas departements and territories)	36,283	685	181	(254)	(180)	37.08%
Other EU countries	40,545	523	229	(277)	(208)	52.96%
Rest of Europe	22,320	385	29	(113)	(29)	29.35%
North America	49,864	229	112	(106)	(68)	46.29%
Central and South America	16,536	829	320	(368)	(316)	44.39%
Africa and Middle-East	13,500	203	107	(146)	(107)	71.92%
Asia and Pacific (excl. Japan)	19,986	342	87	(113)	(76)	33.04%
Japan	39,213	-	-	-	-	0.00%
Supranational organisations	-	-	-	-	-	0.00%
Accrued interest	1,812	247	179	(247)	(179)	100.00%
Net carrying amount	**240,059**	**3,443**	**1,244**	**(1,624)**	**(1,163)**	**47.17%**

€ million	31.12.2022					
	Gross outstandings	Of which doubtful loans and receivables	Of which bad debts	Impairments of doubtful loans and receivables	Impairments of bad debts	Coverage %
France (including overseas departements and territories)	38,711	719	167	(320)	(165)	44.51%
Other EU countries	36,222	497	200	(341)	(177)	68.61%
Rest of Europe	19,133	733	11	(187)	(11)	25.51%
North America	38,413	234	53	(84)	(54)	35.90%
Central and South America	12,951	1,106	335	(420)	(305)	37.97%
Africa and Middle-East	12,751	207	107	(138)	(107)	66.67%
Asia and Pacific (excl. Japan)	23,317	378	208	(121)	(90)	32.01%
Japan	24,353	232	-	(16)	-	6.90%
Supranational organisations	-	-	-	-	-	0,00%
Accrued interest	1,073	253	137	(253)	(137)	100.00%
Net carrying amount	**206,924**	**4,359**	**1,218**	**(1,880)**	**(1,046)**	**43.13%**

3.4 Analysis by customer type

€ million	31.12.2023				
	Gross outstandings	Of which doubtful loans and receivables	Of which bad debts	Impairments of doubtful loans and receivables	Impairments of bad debts
Individual customers	-	-	-	-	-
Farmers	-	-	-	-	-
Other small businesses	-	-	-	-	-
Financial institutions	107,511	361	252	(296)	(236)
Corporates	121,003	2,813	797	(1,062)	(733)
Local authorities	9,733	22	16	(19)	(15)
Other customers	-	-	-	-	-
Accrued interest	1,812	247	179	(247)	(179)
Carrying amount	**240,059**	**3,443**	**1,244**	**(1,624)**	**(1,163)**

€ million	31.12.2022				
	Gross outstandings	Of which doubtful loans and receivables	Of which bad debts	Impairments of doubtful loans and receivables	Impairments of bad debts
Individual customers	-	-	-	-	-
Farmers	-	-	-	-	-
Other small businesses	-	-	-	-	-
Financial institutions	72,497	376	176	(288)	(176)
Corporates	123,663	3,599	774	(1,320)	(714)
Local authorities	9,691	131	131	(19)	(19)
Other customers	-	-	-	-	-
Accrued interest	1,073	253	137	(253)	(137)
Carrying amount	**206,924**	**4,359**	**1,218**	**(1,880)**	**(1,046)**

NOTE 4: TRADING, SHORT-TERM INVESTMENT, LONG-TERM INVESTMENT AND MEDIUM-TERM PORTFOLIO SECURITIES

	31.12.2023					31.12.2022
€ million	Trading securities [2]	Short-term investment securities	Medium-term portfolio securities	Long-term investment securities	Total	Total
Treasury Bills and similar securities	**29,285**	**2,060**	**-**	**6,488**	**37,833**	**21,313**
- of which residual net premium	-	(1)	-	(20)	(21)	(12)
- of which residual net discount	-	1	-	56	57	57
Accrued interest	-	8	-	16	24	19
Impairment	-	(3)	-	-	(3)	-
Net carrying amount	**29,285**	**2,065**	**-**	**6,504**	**37,854**	**21,332**
Bonds and other fixed income securities [1]	**14,881**	**8,508**	**-**	**16,273**	**39,662**	**33,870**
Issued by public bodies	2,534	2,930	-	4,283	9,747	8,366
Other issuers	12,347	5,578	-	11,990	29,915	25,504
- of which residual net premium	-	(65)	-	(46)	(111)	(75)
- of which residual net discount	-	12	-	24	36	54
Accrued interest	-	68	-	90	158	113
Impairment	-	(4)	-	-	(4)	(8)
Net carrying amount	**14,881**	**8,572**	**-**	**16,363**	**39,816**	**33,975**
Equities and other equity variable-income securities	**11,795**	**81**	**2**	**-**	**11,878**	**5,611**
Accrued interest	-	-	-	-	-	-
Impairment	-	(28)	-	-	(28)	(27)
Net carrying amount	**11,795**	**53**	**2**	**-**	**11,850**	**5,584**
Total	**55,961**	**10,690**	**2**	**22,867**	**89,520**	**60,891**
Estimated value	**55,961**	**10,598**	**2**	**22,255**	**88,816**	**58,894**

[1] Subordinated loans in the portfolio amount to €52 million at 31.12.2023 compared €17 million at 31.12.2022.

[2] Apart from borrowed trading securities (including, if need be, borrowed securities that have been lent and classified as "trading securities on loan") presented in deduction of payables representative of borrowed securities value shown on the liability side of the balance sheet (Cf. Note 12 Debt securities clearing).

Disposal of investment securities prior to the maturity, in accordance with the exemption clauses laid down by the ANC Regulation 2014-07, amounted to €284 million for Crédit Agricole CIB Paris. The added value gained from it amounted to €2 million.

BANKING BOOK

4.1 Reclassification

At 01.10.2008, Crédit Agricole CIB carried out reclassifications of securities as permitted by CRC Regulation 2008-17. There were no additional reclassifications of securities between 2009 and 2023. At 31.12.2023, the balance sheet value was nil. Changes over the year are detailed below.

CONTRIBUTION TO INCOME OF TRANSFERRED ASSETS SINCE RECLASSIFICATION

The contribution from assets transferred to net income for the financial year since the date of reclassification comprises all profits, losses, income and expenses recognised in the income statement and other comprehensive income or expenses.

	Pre-tax impact earnings since reclassification (Assets reclassified before 2009)					
	Cumulative impact at 31.12.2022		2023 Impact		Cumulative impact at 31.12.2023	
€ million	Recognized income and expenses	If the asset had been kept in its original category (change in fair value)	Recognized income and expenses	If the asset had been kept in its original category (change in fair value)	Recognized income and expenses	If the asset had been kept in its original category (change in fair value)
From trading to investment securities	(98)	(99)	5	5	(93)	(94)

4.2 Breakdown of listed and unlisted securities between fixed income and variable-income securities

€ million	31.12.2023				31.12.2022			
	Bonds and other fixed income securities	Treasury bills and similar items	Equities and other variable income securities	Total	Bonds and other fixed income securities	Treasury bills and similar items	Equities and other variable income securities	Total
Listed securities	39,236	37,830	11,836	88,902	33,529	21,245	5,570	60,344
Unlisted securities	426	3	42	471	341	68	41	450
Accrued interest	158	24	-	182	113	19	-	132
Impairment	(4)	(3)	(28)	(35)	(8)	-	(27)	(35)
Net carrying amount	**39,816**	**37,854**	**11,850**	**89,520**	**33,975**	**21,332**	**5,584**	**60,891**

4.3 Treasury bills, bonds and other fixed-income securities - Analysis by residual maturity

€ million	31.12.2023							31.12.2022
	≤ 3 months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Bonds and other fixed income securities	-	-	-	-	-	-	-	-
Gross amount	3,070	4,100	20,764	11,728	39,662	158	39,820	33,983
Imapirment	-	-	-	-	-	-	(4)	(8)
Net carrying amount	**3,070**	**4,100**	**20,764**	**11,728**	**39,662**	**158**	**39,816**	**33,975**
Treasury bills and similar items	-	-	-	-	-	-	-	-
Gross amount	4,938	5,765	9,220	17,910	37,833	24	37,857	21,332
Imapirment	-	-	-	-	-	-	(3)	-
Net carrying amount	**4,938**	**5,765**	**9,220**	**17,910**	**37,833**	**24**	**37,854**	**21,332**

4.4 Treasury bills, bonds and other fixed-income securities - Analysis by geographic area

€ million	31.12.2023	31.12.2022
France (including overseas departements and territories)	20,601	12,802
Other EU countries	23,507	17,861
Other european countries	3,911	3,451
North America	14,340	8,067
Central and South America	493	612
Africa and Middle-East	485	609
Asia and Pacific (excl. Japan)	9,420	8,371
Japan	4,597	3,278
Supranational organisations	141	132
Total principal	**77,495**	**55,183**
Accrued interest	182	132
Impairment	(7)	(8)
Net carrying amount	**77,670**	**55,307**

NOTE 5: EQUITY INVESTMENTS AND SUBSIDIARIES

Company	Currency	Share capital	Premiums reserves and retained earnings before appropriation of earnings	Percentage of share capital owned	Carrying amounts of securities owned	Loans and receivables outstanding granted by the Company and not yet paid back	Guarantees and other commitments given by the Company	NBI or revenue (ex VAT) for the year ended (from audited financial statements of 2023)	Net income for the year ended	Dividends received by the Company during the financial year
		In million of original currency units	*In million of original currency units*	*In %*	*€ million*	*In million of original currency units*	*In million of original currency units*	*In million of original currency units*	*In million of original currency units*	*€ million*
I - Detailed information on investments whose gross carrying amount exceeds 1% of Crédit Agricole cib's share capital										
A - Subsidiaries (more than 50% owned by Crédit Agricole CIB)										
BANCO CA BRASIL S.A.	BRL	2,106	395	82	434	-	-	1,359	206	-
CA GLOBAL PARTNERS Inc	USD	723	312	100	535	-	-	-	15	-
CA PRIVATE BANKING	EUR	584	2,194	100	2,650	CHF 2,000	-	286	79	75
CA-CIB (China) Limited	CNY	6,296	711	100	764	CNY 3,000 USD 55	CNY 17,968 EUR 4 PKR 259 USD 17	910	(26)	16
CA-CIB Global Banking	EUR	145	99	100	267	-	-	12	13	-
CASA BV	JPY	12,664	20,637	100	280	-	-	10,542	3,895	-
Subtotal (1)					**4,930**					
B - Banking affiliates (10 and 50% owned by Crédit Agricole CIB)										
-	-	-	-	-	-	-	-	-	-	-
Subtotal (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
II - General information relating to other subsidiaries and affiliates										
A - Subsidiaries not covered in I. above (3)					**397**	**-**	**-**	**-**	**-**	**-**
a) French subsidiaries (aggregate)					122	-	-	-	-	-
b) Foreign subsidiaries (aggregate)					275	-	-	-	-	-
B - Affiliates not covered in I. above (4)					**255**	**-**	**-**	**-**	**-**	**-**
a) French affiliates (aggregate)					61	-	-	-	-	-
b) Foreign affiliates (aggregate)					194	-	-	-	-	-
TOTAL ASSOCIATES (1) + (2) + (3) + (4)					**5,582**	**-**	**-**	**-**	**-**	**-**

5.1 Estimated value of equity investments

	31.12.2023		31.12.2022	
€ million	Net carrying amount	Estimated value	Net carrying amount	Estimated value
Investments in subsidiaries and affiliates				
Unlisted securities	6,311	8,099	6,321	7,377
Listed securities	-	-	-	-
Advances available for consolidation	-	-	-	-
Accrued interest	-	-	-	-
Impairment	(970)	-	(1,010)	-
Net carrying amount	**5,341**	**8,099**	**5,311**	**7,377**
Equity investments and other long-term investment securities				
Equity investments				
Unlisted securities	294	218	293	211
Listed securities	74	46	75	67
Advances available for consolidation	-	-	-	-
Accrued interest	-	-	-	-
Impairment	(142)	-	(141)	-
Sub-total of equity investments	**226**	**264**	**227**	**278**
Other long term equity investments				
Unlisted securities	10	11	10	12
Listed securities	7	8	7	7
Advances available for consolidation	-	-	-	-
Accrued interest	-	-	-	-
Impairment	(2)	-	(2)	-
Sub-total of long term equity investments	**15**	**19**	**15**	**19**
Overseas branch allocations	**-**	**-**	**-**	**-**
Net carrying amount	**241**	**283**	**242**	**297**
TOTAL OF EQUITY INVESTMENTS	**5,582**	**8,382**	**5,553**	**7,674**

As regards listed securities, the market value shown in the above table is the quoted price of the shares on their trading market at 31 December. It may not be representative of the realisable value of the securities.

	31.12.2023	31.12.2022
€ million	Net carrying amount	Net carrying amount
Total gross value		
Unlisted securities	6,615	6,624
Listed securities	81	82
Total	**6,696**	**6,706**

NOTE 6: MOVEMENTS IN FIXED ASSETS

€ million	31.12.2022	Change in scope	Merger	Increase (acquisitions)	Decrease (disposals, maturity)	Translation difference	Other movements	31.12.2023
Equity investments								
Gross amount	368	-	-	15	(13)	(2)	-	368
Impairment	(141)	-	-	(8)	7	-	-	(142)
Other long-term equity investment								
Gross amount	17	-	-	-	-	-	-	17
Impairment	(2)	-	-	-	-	-	-	(2)
Overseas branch allocations	-	-	-	-	-	-	-	-
Subtotal	**242**	**-**	**-**	**7**	**(6)**	**(2)**	**-**	**241**
Investments in subsidiaries and affiliates								
Gross amount	6,321	-	-	6	(6)	(10)	-	6,311
Impairment	(1,010)	-	-	(24)	57	7	-	(970)
Advances available for consolidation	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Gross amount	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Accrued interest	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net carrying amount	**5,553**	**-**	**-**	**(11)**	**45**	**(5)**	**-**	**5,582**
Intangible assets	**280**	**-**	**-**	**168**	**(108)**	**-**	**-**	**340**
Gross amount	689	-	-	233	(116)	(1)	-	805
Depreciation	(409)	-	-	(65)	8	1	-	(465)
Property, plant and equipment	**111**	**-**	**-**	**48**	**-**	**(2)**	**-**	**157**
Gross amount	526	-	-	68	(47)	(9)	-	538
Depreciation	(415)	-	-	(20)	47	7	-	(381)
Financial lease and similar operations	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Gross amount	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-
Net carrying amount	**391**	**-**	**-**	**216**	**(108)**	**(2)**	**-**	**497**

NOTE 7: ACCRUALS, PREPAYMENTS AND SUNDRY ASSETS

€ million	31.12.2023	31.12.2022
Other asset[1]	**54,991**	**74,984**
Financial options bought	15,818	19,999
Collective management of Livret de Développement Durable (LDD) saving account securities	-	-
Miscellaneous debtors[2]	36,912	54,028
Settlement accounts	2,261	957
Due from shareholders - Unpaid capital	-	-
Accruals and prepayments	**123,383**	**145,424**
Items in course of transmission	-	-
Adjustement accounts	119,021	140,603
Accrued income	3,934	4,094
Prepaid expenses	311	279
Unrealised losses and deferred losses on financial instruments	-	-
Bond issue and redemption premiums	46	3
Other accrual prepayments and sundry assets	71	445
Net carrying amount	**178,374**	**220,408**

[1] *The amounts shown are net of impairment and include accrued interest.*
[2] *Of which €351 million in respect of the contribution to the Single Resolution Fund in the form of a security deposit at 31 December 2023 versus €281 million at 31 December 2022.*
The Resolution Fund may use the security deposit to provide funding, at any time and without conditions, to finance an intervention.

NOTE 8: IMPAIRMENT LOSSES DEDUCTED FROM ASSETS

€ million	31.12.2022	Change in scope	Merger	Depre-ciation charges	Reversals and utilisations	Translation differences	Other movements	31.12.2023
Cash, money-market and interbank items	382	-	-	5	(11)	3	-	379
Loans and receivables due from customers	1,880	-	-	533	(750)	(34)	(5)	1,624
Securities transactions	35	-	-	1	(1)	(1)	(2)	32
Participating interests and other long-term investments	1,153	-	-	32	(64)	(7)	-	1,114
Other	187	-	-	3	(156)	-	-	34
Total	**3,637**	**-**	**-**	**574**	**(982)**	**(39)**	**(7)**	**3,183**

NOTE 9: DUE TO CREDIT INSTITUTIONS - ANALYSIS BY RESIDUAL MATURITY

	31.12.2023							31.12.2022
€ million	≤ 3months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Accounts and overdrafts	-	-	-	-	-	-	-	-
Demand	17,031	-	-	-	17,031	52	17,083	13,819
Time	15,780	9,110	30,900	6,757	62,547	328	62,875	78,083
Pledged securities	-	-	-	-	-	-	-	-
Securities sold under repurchase agreements	27,319	10,725	3,639	250	41,933	634	42,567	30,412
Carrying amount[1]					**-**	**-**	**122,525**	**122,314**

[1] *Including €32,962 million at 31.12.2023 compared to €53,055 million at 31.12.2022 with Crédit Agricole S.A.*

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NOTE 10: DUE TO CUSTOMERS

10.1 Analysis by residual maturity

	31.12.2023							31.12.2022
€ million	≤ 3 months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Current accounts in credit	49,316	-	-	-	49,316	203	49,519	56,368
Other accounts due to customers	91,481	12,214	7,112	1,638	112,445	474	112,919	102,846
Securities sold under repurchase agreements	81,383	5,794	3,004	-	90,181	302	90,483	63,230
Carrying amount							**252,921**	**222,444**

10.2 Analysis by geographic area

€ million	31.12.2023	31.12.2022
France (including overseas departements and territories)	42,824	49,984
Other EU countries	51,474	50,405
Rest of Europe	34,561	28,564
North America	65,922	45,447
Central and South America	7,931	12,149
Africa and Middle-East	3,461	5,246
Asia and Pacific (excl. Japan)	19,951	15,426
Japan	25,818	14,699
Supranational organisations	-	-
Total principal	**251,942**	**221,920**
Accrued interest	979	524
Carrying amount	**252,921**	**222,444**

10.3 Analysis by customer type

€ million	31.12.2023	31.12.2022
Individuals customers	1	12
Farmers	-	-
Other small businesses	-	-
Financial institutions	105,172	79,985
Corporates	118,851	123,305
Local authorities	27,918	18,618
Other customers	-	-
Total principal	**251,942**	**221,920**
Accrued interest	979	524
Carrying amount	**252,921**	**222,444**

NOTE 11: DEBT SECURITIES

11.1 Analysis by residual maturity

€ million	31.12.2023							31.12.2022
	≤ 3months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Interest-bearing notes	32	-	-	-	32	-	32	32
Money-market instruments	-	-	-	-	-	-	-	-
Negotiable debt securities:	25,528	13,846	8,216	12,495	60,085	476	60,561	51,110
- Issued in France	406	2,197	7,668	12,495	22,766	181	22,947	20,937
- Issued abroad	25,122	11,649	548	-	37,319	295	37,614	30,173
Bonds	-	-	860	700	1,560	8	1,568	3,652
Other debt instruments	-	-	-	-	-	-	-	-
Carrying amount					**61,677**	**484**	**62,161**	**54,794**

11.2 Bonds

€ million	Outstanding schedule at 31.12.2023			Outstanding at 31.12.2023	Outstanding at 31.12.2022
	≤ 1 year	> 1 year ≤ 5 years	> 5 years		
Euro	**-**	**650**	**700**	**1,350**	**2,770**
Fixed rate	-	-	-	-	-
Variable rate	-	650	700	1,350	2,770
Other currencies	**-**	**210**	**-**	**210**	**872**
Fixed rate	-	210	-	210	187
Variable rate	-	-	-	-	685
Total principal	**-**	**860**	**700**	**1,560**	**3,642**
Fixed rate	-	210	-	210	187
Variable rate	-	650	700	1,350	3,455
Accrued interest	1	4	3	8	10
Carrying amount				**1,568**	**3,652**

NOTE 12: DEBT SECURITIES CLEARING

€ million	31.12.2023			31.12.2022		
	Gross payables representative of borrowed securities (a)	Borrowed trading securities (b)	Net payables representative of borrowed securities (c) = (a) - (b)	Gross payables representative of borrowed securities (a)	Borrowed trading securities (b)	Net payables representative of borrowed securities (c) = (a) - (b)
Treasury Bills and similar securities	37,165	37,165	-	19,829	19,829	-
- of which lent securities		15,966			7,610	
Bonds and other fixed assets	9,664	9,664	-	9,656	9,656	-
- of which lent securities		981			5,420	
Equities and other variable-income securities	10,507	10,507	-	8,965	8,965	-
- of which lent securities		112			25	

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NOTE 13: ACCRUALS, DEFERRED INCOME AND SUNDRY LIABILITIE

€ million	31.12.2023	31.12.2022
Other liabilities [1]	**109,860**	**100,975**
Counterparty transactions (trading securities)	55,729	37,204
Liabilities relating to stock lending transactions [2]	7	7
Optional instruments sold	16,868	21,813
Miscellaneous creditors	34,922	40,015
Settlement accounts	2,329	1,929
Payments in process	5	7
Other	-	-
Accruals and deferred income	**139,271**	**151,570**
Items in course of transmission	1,265	1,555
Adjustment accounts	134,755	146,670
Unearned income	424	533
Accrued expenses	2,774	2,298
Unrealised gains and deferred gains on financial instrument	-	-
Other accruals prepayments and sundry assets	53	514
Carrying amount	**249,131**	**252,545**

[1] *Amounts include accrued interests.*
[2] *Liabilities relating to stock lending transactions are shown after deduction of borrowed trading securities (including, if need be, borrowed securities that have been lent and classified as "trading securities on loan") (Cf. Note 12 Debt securities clearing).*

NOTE 14: PROVISIONS

€ million	31.12.2022	Change in scope	Merger	Deprecia-tion charges	Reversals and utilisations	Translation differences	Other movements	31.12.2023
Country risks	499	-	-	117	(135)	(1)	-	480
Financing commitment execution risks	338	-	-	312	(288)	(10)	-	352
Employee retirement and similar benefits	128	(1)	-	24	(12)	(1)	-	138
Financial instruments	-	-	-	-	-	-	-	-
Litigations and others [1]	406	-	-	67	(77)	-	-	396
Other provisions [2]	1,901	1	-	1,123	(1,001)	(11)	-	2,013
Carrying amount	**3,272**	**-**	**-**	**1,643**	**(1,513)**	**(23)**	**-**	**3,379**

[1] *Of which: - tax disputes: €247 million - customer litigation: €140 million - social litigation: €9 million.*
[2] *Including, for Crédit Agricole CIB Paris: - other risks and expenses: €1,509 million.*

14.1 Tax Audits

CRÉDIT AGRICOLE CIB PARIS TAX AUDIT

Following an accounting audit covering the 2019 and 2020 financial years, Crédit Agricole CIB received proposals for rectification at the end of 2022 and 2023. Crédit Agricole CIB contests the corrected points with reasons. A provision tax is recognized for the estimated risk.

14.2 Inquiries and requests for information from regulators

In the normal course of business, Crédit Agricole CIB is regularly subject to litigation proceedings, as well as requests for information, investigations, controls and other regulatory or judicial procedures from various institutions in France and abroad. The provisions recognised reflect the management's best judgement, considering the information in its possession at the closing date of the accounts.

OFFICE OF FOREIGN ASSETS CONTROL (OFAC)

In October 2015, Crédit Agricole S.A. and its subsidiary Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) reached agreements with the US and New York authorities that had been conducting investigations regarding US dollar transactions with countries subject to US economic sanctions. The events covered by this agreement took place between 2003 and 2008.

Crédit Agricole CIB and Crédit Agricole S.A., which cooperated with the US and New York authorities in connection with their investigations, have agreed to pay a total penalty amount of US$787.3 million (i.e. €692.7 million). The payment of this penalty has been allocated to the pre-existing reserve that had already been taken and, therefore, has not affected the accounts for the second half of 2015.

The agreements with the Board of Governors of the US Federal Reserve System (Fed) and the New-York State Department of Financial Services (NYDFS) are with CASA and Crédit Agricole CIB. The agreement with the Office of Foreign Assets Control (OFAC) of the US Department of the Treasury is with Crédit Agricole CIB. Crédit Agricole CIB also entered into separate deferred prosecution agreements (DPAs) with the United States

Attorney's Office for the District of Columbia (USAO) and the District Attorney of the County of New York (DANY), the terms of which are three years. On October 19, 2018 the two deferred prosecution agreements with USAO and DANY ended at the end of the three year period, Crédit Agricole CIB having complied with all its obligations under the DPAs.

Crédit Agricole continues to strengthen its internal procedures and its compliance programs regarding laws on international sanctions and will continue to cooperate fully with the US and New York authorities with its home regulators, the European Central Bank and the French Regulatory and Resolution Supervisory Authority (ACPR), and with the other regulators across its worldwide network. Pursuant to the agreements with NYDFS and the US Federal Reserve, Crédit Agricole's compliance programme is subject to regular reviews to evaluate its effectiveness, including a review by an independent consultant appointed by NYDFS for a term of one year and annual reviews by an independent consultant approved by the Federal Reserve.

EURIBOR/LIBOR AND OTHER INDEXES

Crédit Agricole S.A. and its subsidiary Crédit Agricole CIB, in their capacity as contributors to a number of interbank rates, have received requests for information from a number of authorities as part of investigations into: (i) the calculation of the Libor (London Interbank Offered Rates) in a number of currencies, the Euribor (Euro Interbank Offered Rate) and certain other market indices; and (ii) transactions connected with these rates and indices. These demands covered several periods from 2005 to 2012.

As part of its cooperation with the authorities, Crédit Agricole S.A. and its subsidiary Crédit Agricole CIB carried out investigations in order to gather the information requested by the various authorities and in particular the American authorities - the DOJ (Department of Justice) and CFTC (Commodity Future Trading Commission) - with which they are in discussions. It is currently not possible to know the outcome of these discussions, nor the date when they will be concluded.

Furthermore, Crédit Agricole CIB is currently under investigation opened by the Attorney General of the State of Florida on both the Libor and the Euribor.

Following its investigation and an unsuccessful settlement procedure, on 21 May 2014, the European Commission sent a statement of objection to Crédit Agricole S.A. and to Crédit Agricole CIB pertaining to agreements or concerted practices for the purpose and/or effect of preventing, restricting or distorting competition in derivatives related to the Euribor.

In a decision dated 7 December 2016, the European Commission jointly fined Crédit Agricole S.A. and Crédit Agricole CIB €114,654,000 for participating in a cartel in euro interest rate derivatives. Crédit Agricole S.A. and Crédit Agricole CIB are challenging this decision and have asked the European Court of Justice to overturn it. On December 20, 2023, the Court handed down its decision, reducing the fine to €110,000,000 and dismissing certain conduct attributed to Crédit Agricole S.A. and Crédit Agricole CIB. Crédit Agricole S.A. and Crédit Agricole CIB are considering whether to appeal against this decision.

The Swiss competition authority, COMCO, has conducted an investigation into the market for interest rate derivatives, including the Euribor, with regard to Crédit Agricole S.A. and several Swiss and international banks. This investigation was closed following a settlement procedure under which Crédit Agricole S.A agreed to pay a penalty of CHF 4,465,701 and proceedings costs amounting to CHF 187,012 without any admission of guilt.

Moreover, in June 2016 the Korean Fair Trade Commission (KFTC) decided to close the investigation launched in September 2015 into Crédit Agricole CIB and the Libor index on various currencies, Euribor and Tibor indices. The investigation into certain foreign exchange derivatives (ABS-NDF) has been closed by the KFTC according to a decision notified to Crédit Agricole CIB on 20 December 2018.

Concerning the two class actions in the United States of America in which Crédit Agricole S.A. and Crédit Agricole CIB have been named since 2012 and 2013 along with other financial institutions, both as defendants in one ("Sullivan" for the Euribor) and only Crédit Agricole S.A. as defendant for the other ("Lieberman" for Libor), the "Lieberman" class action is now closed, as the plaintiffs decided to voluntarily dismiss from the proceedings. Concerning the"Sullivan" class action, Crédit Agricole S.A. and Crédit Agricole CIB had introduced a motion to dismiss the plaintiffs' claim, which was, in first instance, granted by the US District Court of New York State. On 14 June 2019, the plaintiffs had appealed this decision. While awaiting the decision on this appeal, the U.S. Second District Court of Appeal handed down on 31 December 2021, in a separate case (known as GELBOIM), a decision modifying its jurisprudence on the personal jurisdiction of US courts over foreign defendants. In order to avoid possible negative consequences of this reversal of jurisprudence on the ongoing appeal, Crédit Agricole S.A. and Crédit Agricole CIB had negotiated with the plaintiffs a settlement to permanently end the proceedings providing for the payment to the plaintiffs of 55 million US dollars, which was made in 2022. This settlement, which does not involve any admission of guilt from Crédit Agricole S.A. and Crédit Agricole CIB, was homologated by the New-York court on November 15, 2022, a decision that was not appealed. According to the usual cooperation provisions of such an agreement, a request for confirmatory discovery could possibly be submitted to Crédit Agricole S.A. and Crédit Agricole CIB by the plaintiffs in 2024 in the event that this would be necessary in the context of their discussions to reach an agreement with other parties that have not settled yet.

Since 1st July 2016, Crédit Agricole S.A. and Crédit Agricole CIB, together with other banks, are also party to a new class action suit in the United States ("Frontpoint") relating to the SIBOR (Singapore Interbank Offered Rate) and SOR (Singapore Swap Offer Rate) indices. After having granted a first motion to dismiss filed by Crédit Agricole S.A. and Crédit Agricole CIB, the New York Federal District Court, ruling on a new request by the plaintiffs, excluded Crédit Agricole S.A. from the Frontpoint case on the grounds that it had not contributed to the relevant indexes. The Court considered, however, taking into account recent developments in case law, that its jurisdiction could apply to Crédit Agricole CIB, as well as to all the banks that are members of the SIBOR index panel. The allegations contained in the complaint regarding the SIBOR/USD index and the SOR index were also rejected by the court, therefore the index SIBOR/Singapore dollar alone is still taken into account. On 26 December 2018, the plaintiffs filed a new complaint aimed at reintroducing into the scope of the Frontpoint case the alleged manipulations of the SIBOR and SOR indexes that affected the transactions in US dollars. Crédit Agricole CIB, alongside the other defendants, objected to this new complaint at the hearing held on 2 May 2019 before the New York Federal District Court. On July 26, 2019, the Federal Court granted the defendants' motion to dismiss. The plaintiffs filed a notice of appeal on August 26, 2019.

On March 17, 2021, a three-judge panel of the Court of Appeal of the 2nd Circuit reversed the dismissal, consequently considering the new complaint admissible and returned the case to the New York Federal District Court. The defendants, including Crédit Agricole CIB, requested the Second Circuit Court, sitting in plenary session, to reconsider this decision (all the active judges of the Court). This motion was denied by the Second Circuit Court on May 6, 2021. Another motion was filed on May 12, 2021 by the defendants seeking a stay of this decision remanding the case to the District Court with a view to obtaining the suspension of this return of the case before the first instance court, which was rejected on May 24, 2021. On October 1st, 2021, the defendants filed an appeal with the US Supreme Court, which decided on January 10, 2022 not to consider the case. A new petition, currently under review, has been filed by the defendants before the District Court in an attempt to stop this action.

On 27 May 2022, all 13 defendants signed into a transactional agreement with the plaintiffs to definitely dismiss this action. This agreement provides for payment of a fixed sum to the plaintiffs, with distribution plan for each plaintiff. As a result, Crédit Agricole CIB will pay US$7.3 million (8.03% of the total amount). This agreement which includes no acknowledgement of culpability on the part of Crédit Agricole CIB, was homologated by the New York court on November 29, 2022, a decision that was not appealed.

BONDS SSA

Several regulators requested information to Crédit Agricole S.A. and to Crédit Agricole CIB for investigations relating to activities of different banks involved in the secondary trading of Bonds SSA (Supranational, Sub-Sovereign and Agencies) denominated in American dollars. Through the cooperation with these regulators, Crédit Agricole CIB proceeded to internal inquiries to gather the required information available. On 20 December 2018, the European Commission issued a Statement of Objections to a number of banks including Crédit Agricole S.A. and Crédit Agricole CIB within its inquiry on a possible infringement of rules of European Competition law in the secondary trading of Bonds SSA denominated in American dollars. Crédit Agricole S.A. and Crédit Agricole CIB became aware of these objections and issued a response on 29 March 2019, followed by an oral hearing on 10-11 July 2019.

In a decision dated 28 April 2021, the European Commission jointly fined Crédit Agricole S.A. and Crédit Agricole CIB €3,993,000 for participating in a cartel on the secondary trading market of Bonds SSA denominated in US dollars. On 7 July 2021, Crédit Agricole S.A. and Crédit Agricole CIB appealed against this decision to the European General Court of the European Union. The appeal hearing took place on 16 June 2023 and judgment is pending.

Crédit Agricole CIB was included with other banks in a putative consolidated class action before the United States District Court for the Southern District of New York. That action was dismissed on 29 August 2018 on the basis that the plaintiffs failed to allege an injury sufficient to give them standing. However the plaintiffs were given an opportunity to attempt to remedy that defect. The plaintiffs filed an amended complaint on 7 November 2018. Crédit Agricole CIB as well as the other defendants filed motions to dismiss the amended complaint. An order issued on 30 September 2019 dismissed the class action against Crédit Agricole CIB for lack of jurisdiction and, in a subsequent ruling, the Court held that the plaintiffs had in any event failed to state a claim for violation of US antitrust law. In June 2020, the plaintiffs took an appeal from both of the Court's orders. On 19 July 2021, the Second Circuit Court of Appeal affirmed the district court's holding that plaintiffs had failed to state a claim for violation of US antitrust law. Plaintiffs' deadline to seek further review of the district court's decision from the US Supreme Court passed on 2 December 2021 without plaintiffs seeking review by that Court. Plaintiffs subsequently sought leave to file a motion to vacate the trial court's judgment, on the basis that the trial court judge had not disclosed a conflict of interest at the outset of the action. The action was reassigned to a new judge for purposes of considering that request, and that new judge ordered the parties to brief the issue for her review. On 3 October 2022, that judge, District Judge Valerie Caproni, issued an opinion and order denying the plaintiffs' motion to vacate the judgment and instructing the Clerk of Court to close the case. Plaintiffs did not take an appeal from Judge Caproni's ruling.

On 7 February 2019, a second class action was filed against Crédit Agricole CIB and the other defendants named in the class action already pending before the United States District Court for the Southern District of New York. In July 2020, the plaintiffs voluntarily discontinued the action but the claim could be revived.

On 11 July 2018, Crédit Agricole S.A. and Crédit Agricole CIB were notified with other banks of a class action filed in Canada, before the Ontario Superior Court of Justice. Another class action was filed in the Federal Court of Canada. The action before the Ontario Superior Court of Justice was dismissed on 19 February 2020. Crédit Agricole S.A. and Crédit Agricole CIB have reached an agreement in principle to resolve the proceedings before the Federal Court. The final agreement has yet to be approved by the court.

O'SULLIVAN AND TAVERA

On November 9, 2017, a group of individuals, (or their families or estates), who claimed to have been injured or killed in attacks in Iraq filed a complaint ("O'Sullivan I") against several banks including Crédit Agricole S.A., and its subsidiary Crédit Agricole Corporate Investment Bank (Crédit Agricole CIB), in US Federal District Court of New York.

On December 29, 2018, the same group of individuals, together with 57 new plaintiffs, filed a separate action ("O'Sullivan II") against the same defendants.

On December 21, 2018, a different group of individuals filed a complaint ("Tavera") against the same defendants.

All three complaints allege that Crédit Agricole S.A., Crédit Agricole CIB, and other defendants conspired with Iran and its agents to violate US sanctions and engage in transactions with Iranian entities in violation of the US Anti-Terrorism Act and the Justice Against Sponsors of Terrorism Act. Specifically, the complaints allege that Crédit Agricole S.A., Crédit Agricole CIB, and other defendants processed US dollar transactions on behalf of Iran and Iranian entities in violation of sanctions administered by the US Treasury Department's Office of Foreign Assets Control, which allegedly enabled Iran to fund terrorist organizations that, as is alleged, attacked plaintiffs. The plaintiffs are seeking an unspecified amount of compensatory damages.

On 2 March 2018, Crédit Agricole CIB and other defendants filed a motion to dismiss the O' Sullivan I Complaint. On 28 March 2019, the Court granted defendants' motion to dismiss. On 22 April 2019, the plaintiffs filed a motion to amend their complaint. Defendants submitted an opposition to that motion on 20 May 2019 and plaintiffs filed a reply on 10 June 2019. On 25 February 2020 the plaintiffs' motion to amend their complaint was denied and their original complaint dismissed with prejudice.

On 28 May 2020, plaintiffs filed a motion requesting that the court enter a final judgment against defendants to allow an appeal. On

11 June 2020, the defendants filed an opposition to plaintiffs' motion, and plaintiffs filed a reply brief on 18 June 2020. On June 29, 2021, the court denied plaintiffs' motion.

Concerning the procedure: In the O'Sullivan case, on July 28, 2021, the court stayed the O'Sullivan I action pending a decision in the appeal in a related case, Freeman v. HSBC Holdings, PLC, No. 19-3970 (2d. Cir.) ("Freeman I"). (The O'Sullivan II case is stayed pending resolution of the O'Sullivan I case and the Tavera case had been previously stayed pending the Freeman I appeal.) On June 5, 2023, the court extended the stay in the O'Sullivan I and O'Sullivan II actions pending a decision in the appeal to the U.S. Supreme Court of the Second Circuit's decision in Freeman I. On October 2, 2023, the Supreme Court denied the petition for review of the Second Circuit's decision in Freeman I. On November 9, 2023, the court extended the stay pending resolution of certain motions in the district court in Freeman I and related cases including Freeman v. HSBC Holdings plc, No. 18-cv-7359 (E.D.N.Y) ("Freeman II") and Stephens v. HSBC Holdings plc, 18-cv-7439 (E.D.N.Y).

In the Tavera case, on September 12, 2023, the court extended the stay until after the Supreme Court's decision in Freeman I. On October 2, 2023, the Supreme Court denied the petition for review of the Second Circuit's decision in Freeman I.

On November 8, 2023, the court extended the stay pending resolution of certain motions in the district court in the Freeman I, Freeman II and Stephens cases, and ordered the plaintiffs to submit a status report on April 1, 2024.

BINDING AGREEMENTS

Crédit Agricole Corporate and Investment Bank does not depend on any industrial, commercial or financial patent, license or contract.

NOTE 15: EMPLOYMENT RELATED COMMITMENTS - POST-EMPLOYMENT BENEFITS, DEFINED BENEFIT SCHEMES

15.1 Changes in actuarial liability

€ million	31.12.2023	31.12.2022
Actuarial liability at the start of the reporting period	**587**	**923**
Translation adjustments	4	(22)
Current service cost	7	11
Financial cost	27	15
Employee contributions	2	1
Benefit plan changes, withdrawals and settlement	(2)	-
Changes in scope	-	1
Severance payments	-	-
Benefits paid (mandatory)	(31)	(41)
Actuarial (gains)/losses	-	(301)
Other movements	-	-
ACTUARIAL LIABILITY AT THE REPORTING DATE	**594**	**587**

15.2 Breakdown of charge recognised in the income statement

€ million	31.12.2023	31.12.2022
Service cost	**8**	**11**
Financial cost	27	15
Expected return on assets	-	-
Past service cost	(2)	-
Net actuarial (gains)/losses	(24)	(14)
(Gains)/losses on plan withdrawals and settlements	-	-
(Gains)/losses due to changes in asset restrictions	-	-
NET CHARGE RECOGNISED IN INCOME STATEMENT	**9**	**12**

15.3 Changes in fair value of plan assets

€ million	31.12.2023	31.12.2022
Fair value of assets/reimbursement rights at the beginning of the reporting period	**489**	**745**
Translation adjustments	5	(24)
Expected return on assets	23	14
Actuarial (gains)/losses	2	(261)
Employer contributions	-	47
Employee contributions	2	1
Benefit plan changes, withdrawals and settlement	-	-
Changes in scope	-	-
Severance payments	-	-
Benefits paid out under the benefit plan	(23)	(33)
Other movements	-	
FAIR VALUE OF ASSETS/REIMBURSEMENT RIGHTS AT THE REPORTING DATE	**498**	**489**

15.4 Changes in provision

€ million	31.12.2023	31.12.2022
Actuarial liability at the reporting date	**(594)**	**(587)**
Impact of asset restriction	-	-
Fair value of assets at end of period	498	489
NET POSITION (LIABILITIES)/ASSETS AT THE REPORTING DATE	**(96)**	**(98)**

NOTE 16: SUBORDINATED DEBT - ANALYSIS BY RESIDUAL MATURITY (IN CURRENCY OF ISSUE)

	31.12.2023					31.12.2022
€ million	≤ 3months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total	Total
Fixed-term subordinated debt	**-**	**-**	**1,000**	**3,221**	**4,221**	**4,270**
Euro	-	-	1,000	1,864	2,864	2,864
Other EU currencies	-	-	-	-	-	-
US Dollar	-	-	-	1,357	1,357	1,406
Yen	-	-	-	-	-	-
Other currencies	-	-	-	-	-	-
Undated subordinated debt[1]	**-**	**-**	**-**	**10,338**	**10,338**	**10,129**
Euro	-	-	-	8,600	8,600	8,330
Other EU currencies	-	-	-	-	-	-
US Dollar	-	-	-	1,738	1,738	1,799
Yen	-	-	-	-	-	-
Other currencies	-	-	-	-	-	-
Participating securities and loans	**-**	**-**	**-**	**-**	**-**	**-**
Total principal	**-**	**-**	**1,000**	**13,559**	**14,559**	**14,399**
Accrued interest	-	-	-	-	55	44
Carrying amount	**-**	**-**	**-**	**-**	**14,614**	**14,443**

[1] *Residual maturity of undated subordinated debt, defaulted in > 5 years.*

Expenses relating to subordinated debt amounted to -€936 million at 31.12.2023, compared to -€573 million at 31.12.2022.

NOTE 17: CHANGES IN EQUITY (BEFORE APPROPRIATION)

	Equity							
€ million	Share capital	Legal reserves	Statutory reserves	Share premiums, reserves and revaluation adjustments	Retained earnings	Regulated provisions	Net income	Total equity
Balance at 31 December 2021	**7,852**	**785**	**-**	**1,594**	**4,199**	**-**	**1,359**	**15,789**
Dividends paid in respect of 2022	-	-	-	-	(552)	-	-	(552)
Increase/decrease	-	-	-	-	-	-	-	-
2022 net income	-	-	-	-	-	-	1,576	1,576
Appropriation of 2021 parent company net income	-	-	-	-	1,359	-	(1,359)	-
Net charges/write-backs	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	-	-
Balance at 31 December 2022	**7,852**	**785**	**-**	**1,594**	**5,006**	**-**	**1,576**	**16,813**
Dividends paid in respect of 2023	-	-	-	-	(343)	-	-	(343)
Increase/decrease	-	-	-	-	-	-	-	-
2023 net income	-	-	-	-	-	-	1,210	1,210
Appropriation of 2022 parent company net income	-	-	-	-	1,576	-	(1,576)	-
Net charges/write-backs	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	-	-
Balance at 31 decembre 2023	**7,852**	**785**	**-**	**1,594**	**6,239**	**-**	**1,210**	**17,680**

At 31 December 2023, the share capital comprised 290,801,346 shares with a par value of €27 each.

NOTE 18: ANALYSIS OF THE BALANCE SHEET BY CURRENCY

	31.12.2023		31.12.2022	
€ million	Assets	Liabilities	Assets	Liabilities
Euro	350,906	365,295	345,054	350,043
Other EU currencies	7,288	5,057	4,136	4,370
US Dollar	172,921	196,124	220,824	214,128
Yen	96,641	67,386	56,021	42,222
Other currencies	94,655	88,549	60,590	75,862
Total	**722,411**	**722,411**	**686,625**	**686,625**

NOTE 19: TRANSACTIONS WITH SUBSIDIARIES, AFFILIATES AND EQUITY INVESTMENTS

€ million	31.12.2023	31.12.2022
Loans and receivables	**130,184**	**99,062**
Credit and other financial institions	80,723	70,676
Customers	39,994	22,375
Bonds and other fixed income securities	9,467	6,011
Debt	**102,667**	**111,298**
Credit and financial institutions	69,803	81,430
Customers	16,754	11,794
Debt securities and subordinated debts	16,110	18,074
Commitments given	**128,350**	**101,880**
Financing commitments given to credit institutions	987	682
Financing commitments given to customers	68,228	56,786
Guarantee given to credit and other financial institutions	34,104	20,936
Guarantees given to customers	2,288	2,757
Securities acquired with repurchase options	5,178	1,441
Other commitments given	17,565	19,278

The absence of information regarding the transactions done with related parties which have not been concluded at normal market conditions, is justified by the fact that transactions done by Crédit Agricole CIB (S.A.) with related parties are excluded from the list of transactions covered by this obligation, in accordance with provisions of the ANC Regulation, 2014-07.

NOTE 20: NON-SETTLED FOREIGN EXCHANGE TRANSACTIONS AND AMOUNTS PAYABLE IN FOREIGN CURRENCIES

	31.12.2023		31.12.2022	
€ million	To be received	To be delivered	To be received	To be delivered
Spot foreign-exchange transactions	**299,731**	**298,630**	**271,377**	**270,531**
Foreign currencies	267,333	260,401	229,903	224,109
Euro	32,398	38,229	41,474	46,422
Forward currency transactions	**2,983,667**	**2,985,237**	**2,904,780**	**2,907,580**
Foreign currencies	2,370,996	2,445,353	2,291,305	2,355,364
Euro	612,671	539,884	613,475	552,216
Foreign currency denominated loans and borrowings	**328**	**23**	**103**	**118**
Total	**3,283,726**	**3,283,890**	**3,176,260**	**3,178,229**

NOTE 21: TRANSACTIONS ON FORWARD FINANCIAL INSTRUMENTS

€ million	31.12.2023			31.12.2022		
	Hedging transactions	Other transactions	Total [2]	Hedging transactions	Other transactions	Total
Futures and forwards	**123,664**	**22,766,061**	**22,889,725**	**131,347**	**22,059,456**	**22,190,803**
Exchange-traded [1]	**-**	**264,303**	**264,303**	**-**	**257,170**	**257,170**
Interest-rate futures	-	253,362	253,362	-	244,420	244,420
Currency forwards	-	-	-	-	-	-
Equity and stock index instruments	-	10,931	10,931	-	12,718	12,718
Other futures	-	10	10	-	32	32
Over-the-counter [1]	**123,664**	**22,501,758**	**22,625,421**	**131,347**	**21,802,286**	**21,933,633**
Interest rate swaps	80,803	12,757,085	12,837,888	76,751	12,733,647	12,810,398
Fx swaps	42,659	6,320,301	6,362,960	54,488	6,106,198	6,160,686
FRA	-	3,303,901	3,303,901	-	2,864,944	2,864,944
Equity and stock index instruments	202	117,197	117,399	108	93,509	93,617
Other futures	-	3,274	3,274	-	3,988	3,988
Options	**-**	**2,003,652**	**2,003,652**	**-**	**1,916,463**	**1,916,463**
Exchange-traded	**-**	**58,147**	**58,147**	**-**	**199,885**	**199,885**
Exchange traded interest rate futures	-	-	-	-	-	-
Bought	-	18,850	18,850	-	126,950	126,950
Sold	-	10,591	10,591	-	42,250	42,250
Equity and stock index instruments	-	-	-	-	-	-
Bought	-	10,800	10,800	-	12,185	12,185
Sold	-	17,906	17,906	-	18,500	18,500
Currency futures	-	-	-	-	-	-
Bought	-	-	-	-	-	-
Sold	-	-	-	-	-	-
Other futures	-	-	-	-	-	-
Bought	-	-	-	-	-	-
Sold	-	-	-	-	-	-
Over-the counter	**-**	**1,945,506**	**1,945,506**	**-**	**1 716,578**	**1,716,578**
Interest rate swap options	-	-	-	-	-	-
Bought	-	442,777	442,777	-	381,181	381,181
Sold	-	462,596	462,596	-	394,215	394,215
Other interest rate forwards	-	-	-	-	-	-
Bought	-	241,465	241,465	-	246,626	246,626
Sold	-	232,311	232,311	-	222,213	222,213
Equity and stock index instruments	-	-	-	-	-	-
Bought	-	499	499	-	2,249	2,249
Sold	-	424	424	-	1,090	1,090
Currency futures	-	-	-	-	-	-
Bought	-	257,324	257,324	-	214,834	214,834
Sold	-	285,503	285,503	-	234,216	234,216
Other futures	-	-	-	-	-	-
Bought	-	358	358	-	147	147
Sold	-	502	502	-	192	192
Credit derivative	-	-	-	-	-	-
Bought	-	13,063	13,063	-	13,293	13,293
Sold	-	8,684	8,684	-	6,322	6,322
Total	**123,664**	**24,769,713**	**24,893,377**	**131,347**	**23,975,919**	**24,107,266**

[1] The amounts stated under futures and forwards correspond to aggregate long and short positions (interest rate swaps and interest rate swap options) or to aggregate purchases and sales of contracts (other contracts).
[2] Including €1,150,643 million with Crédit Agricole S.A. at 31 December 2023.

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21.1 Forward financial instruments - Fair value

€ million	31.12.2023			31.12.2022		
	Total fair value			Total fair value		
	Assets	Liabilities	Notional total	Assets	Liabilities	Notional total
Interest rate instruments	**80,537**	**84,400**	**17,803,740**	**95,653**	**107,473**	**17,333,197**
Futures	-	-	253,362	-	-	244,420
FRA	3	-	3,303,901	3	-	2,864,944
Interest rate swaps	69,837	71,255	12,837,888	81,711	89,698	12,810,398
Interest rate options	7,776	9,437	934,813	9,666	11,962	944,596
Caps, floors and collars	2,921	3,708	473,776	4,273	5,813	468,839
Foreign currency and Instruments	**21,285**	**18,882**	**1,219,552**	**23,764**	**20,406**	**1,044,350**
Currency futures	18,029	16,258	676,725	19,967	17,538	595,300
Currency options	3,256	2,624	542,827	3,797	2,868	449,050
Futures	-	-	-	-	-	-
Other instruments	**13,644**	**5,230**	**183,849**	**14,061**	**5,774**	**164,333**
Equity and index derivatives	13,445	4,752	157,958	13,804	5,270	140,359
Precious metal derivatives	39	38	4,134	104	109	4,327
Commodity derivatives	-	-	10	-	-	32
Credit derivatives	160	440	21,747	153	395	19,615
Sub-total	**115,466**	**108,512**	**19,207,141**	**133,478**	**133,653**	**18,541,880**
Currency futures trading book	17,053	18,667	5,686,236	25,986	27,721	5,565,386
Currency futures banking book	-	-	-	-	-	-
Sub-total	**17,053**	**18,667**	**5,686,236**	**25,986**	**27,721**	**5,565,386**
Total	**132,519**	**127,179**	**24,893,377**	**159,464**	**161,374**	**24,107,266**

21.2 Forward financial instruments - Notional outstanding's analysis by residual maturity

€ million	Over-the-counter			Exchange-traded			31.12.2023	31.12.2022
Notional amount outstanding	≤ 1 year	> 1 year ≤ 5 years	> 5 years	≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total	Total
Interest rate instruments	**6,207,652**	**6,514,019**	**4,799,266**	**167,627**	**115,174**	**2**	**17,803,740**	**17,333,197**
Futures	-	-	-	142,277	111,083	2	253,362	244,420
FRA	2,337,535	966,366	-	-	-	-	3,303,901	2,864,944
Interest rate swaps	3,744,008	4,852,188	4,241,692	-	-	-	12,837,888	12,810,398
Interest rate options	226	418,475	486,671	25,350	4,091	-	934,813	944,596
Caps, floors and collars	125,883	276,990	70,903	-	-	-	473,776	468,839
Foreign currency and gold	**923,780**	**264,588**	**31,184**	**-**	**-**	**-**	**1,219,552**	**1,044,350**
Currency futures	457,807	198,992	19,926	-	-	-	676,725	595,300
Currency options	465,973	65,596	11,258	-	-	-	542,827	449,050
Futures	-	-	-	-	-	-	-	-
Other instruments	**49,516**	**73,694**	**20,992**	**26,780**	**11,831**	**1,036**	**183,850**	**164,333**
Equity and index derivatives	40,882	59,035	18,404	26,770	11,831	1,036	157,958	140,359
Precious metal derivatives	4,134	-	-	-	-	-	4,134	4,327
Commodity derivatives	-	-	-	10	-	-	10	32
Credit derivatives	4,500	14,659	2,588	-	-	-	21,747	19,615
Sub-total	**7,180,948**	**6,852,301**	**4,851,442**	**194,408**	**127,005**	**1,038**	**19,207,141**	**18,541,880**
Currency futures trading book	3,445,508	1,516,467	724,261	-	-	-	5,686,236	5,565,386
Currency futures banking book	-	-	-	-	-	-	-	-
Sub-total	**3,445,508**	**1,516,467**	**724,261**	**-**	**-**	**-**	**5,686,236**	**5,565,386**
Total	**10,626,455**	**8,368,768**	**5,575,703**	**194,408**	**127,005**	**1,038**	**24,893,377**	**24,107,266**

21.3 Forward financial instruments - Counterparty risk

€ million	31.12.2023 Market value	31.12.2023 Potential credit risk	31.12.2022 Market value	31.12.2022 Potential credit risk
Risks regarding OECD governments, central banks and similar institutions	10,644	6,064	14,059	5,307
Risks regarding OECD financial institutions and similar	59,826	42,998	71,498	39,375
Risks on other counterparties	63,011	72,948	80,265	68,835
Total by counterparty type before netting agreements	**133,481**	**122,010**	**165,822**	**113,517**
Risks on:	-	-	-	-
Interest rates, exchange rates and comodities contracts	121,794	114,441	153,256	107,004
Equity and index derivatives	9,447	3,375	8,637	3,137
Impact of netting agreements	**86,990**	**92,641**	**105,688**	**85,410**
Total after impact of netting agreements	**46,491**	**29,369**	**60,134**	**28,107**

NOTE 22: NET INTEREST AND SIMILAR INCOME

€ million	31.12.2023	31.12.2022
Interbank transactions	14,455	3,983
Customer transactions	14,447	7,091
Bonds and other fixed-income securities (see Note 23)	1,444	818
Debt securities	27	41
Other interest and similar income	306	219
Interest and similar income [1]	**30,679**	**12,152**
Interbank transactions	(10,747)	(4,832)
Customer transactions	(13,131)	(3,569)
Bonds and other fixed-income securities	(188)	(387)
Debt securities	(3,216)	(1,361)
Other interest and similar income	(384)	(115)
Interest and similar expense [2]	**(27,666)**	**(10,264)**
Net interest and similar income	**3,013**	**1,888**

[1] *Including income with Crédit Agricole S.A. at 31.12.2023 : €1,817 million.*
[2] *Including expenses with Crédit Agricole S.A. at 31.12.2023 : -€3,217 million.*

NOTE 23: INCOME FROM SECURITIES

€ million	Fixed Income securities 31.12.2023	Fixed Income securities 31.12.2022	Variable-income securities 31.12.2023	Variable-income securities 31.12.2022
Investment in subsidiaries and affiliates, equity investments and other long-term equity investments	-	-	249	241
Short term investment securities and medium term portfolio securities	370	232	1	1
Long-term investment securities	1,074	586	-	-
Other securities transactions	-	-	-	-
Income from securities	**1,444**	**818**	**250**	**242**

NOTE 24: NET COMMISSION AND FEE INCOME

	31.12.2023			31.12.2022		
€ million	Income	Expense	Net	Income	Expense	Net
Interbank transactions	51	(182)	(131)	62	(136)	(74)
Customer transactions	664	(50)	614	702	(49)	653
Securities transactions	26	(260)	(234)	25	(143)	(118)
Foreign exchange transactions	1	(33)	(32)	-	(38)	(38)
Forward financial instruments and other off-balance sheet transactions	264	(242)	22	156	(181)	(25)
Financial services (see Note 24.1)	136	(32)	104	105	(41)	64
Total net fee and commission income [1]	**1,142**	**(799)**	**343**	**1,050**	**(588)**	**462**

[1] *Including net commissions with Crédit Agricole S.A. at 31.12.2023 : €71 million.*

24.1 Banking and financial services

€ million	31.12.2023	31.12.2022
Net income from managing mutual funds and securities on behalf of customers	45	41
Net income from payment instruments	13	(9)
Other net financial services income (expense)	46	32
Financial services	**104**	**64**

NOTE 25: GAINS (LOSSES) ON TRADING BOOKS

€ million	31.12.2023	31.12.2022
Gains (losses) on trading securities	513	2,155
Gains (losses) on forward financial instruments	455	(888)
Gains (losses) on foreign exchange and similar financial instruments	483	1,065
Net gains (losses) on trading book	**1,451**	**2,332**

NOTE 26: GAINS (LOSSES) ON SHORT-TERM INVESTMENT PORTFOLIOS AND SIMILAR

€ million	31.12.2023	31.12.2022
Short term investment securities		
Impairment losses	(1)	(19)
Reversals of impairment losses	1	14
Net losses/reversals	**-**	**(5)**
Gains on disposals	1	29
Losses on disposals	(15)	(15)
Net gains (losses) on disposals	**(14)**	**14**
Net gain (losses) on short term investment securities	**(14)**	**9**
Medium term portfolio securities		
Impairment losses	-	-
Reversals of impairment losses	-	-
Net losses/reversals	-	-
Gains on disposals	2	9
Losses on disposals	(4)	-
Net gains (losses) on disposals	**(2)**	**9**
Net gain (losses) on medium term investment portfolio securities	**(2)**	**9**
Net gain (losses) on short term investment portfolios and similar	**(16)**	**18**

NOTE 27: OPERATING EXPENSES

27.1 Employee expenses

€ million	31.12.2023	31.12.2022
Salaries	(1,377)	(1,224)
Social security expenses	(483)	(363)
Incentive plans	(45)	(42)
Employee profit-sharing	(1)	-
Payroll-related tax	(37)	(32)
Total employee expenses	**(1,943)**	**(1,661)**
Charge-backs and reclassification of employee expenses	6	7
Net expenses[1]	**(1,937)**	**(1,654)**

[1] *Including pension expenses at 31.12.2023: -€92 million.*
Including pension expenses at 31.12.2022: -€100 million.

27.2 Average number of headcount

In number	31.12.2023	31.12.2022
Managers	5,129	4,845
Non-managers	71	103
Managers and non-managers of foreign branches	3,283	3,238
Total	**8,483**	**8,186**
Of which:		
- France	5,200	4,948
- Foreign	3,283	3,238

27.3 Other administrative expenses

€ million	31.12.2023	31.12.2022
Taxes other than on income or payroll-related	(53)	(50)
External services	(1,415)	(1,411)
Other administrative expenses	(179)	(133)
Total administrative expenses	**(1,647)**	**(1,594)**
Charge-backs and reclassification of employee expenses	380	270
Total	**(1,267)**	**(1,324)**

NOTE 28: COST OF RISK

€ million	31.12.2023	31.12.2022
Depreciation charges to provisions and impairment	**(1,664)**	**(1,835)**
Impairment on doubtful loans and receivables	(410)	(484)
Other depreciation and impairment losses	(1,254)	(1,351)
Reversal of provisions and impairment losses	**1,942**	**1 800**
Reverval of impairment losses on doubtful loans and receivables[1]	630	382
Other reversals of provisions and impairment losses[2]	1,312	1,418
Change in provisions and impairment	**278**	**(35)**
Losses on non-impaired bad debts	(22)	(18)
Losses on impaired bad debts	(407)	(153)
Recoveries on loans written off	32	66
Cost of risk	**(119)**	**(140)**

[1] *Including €389 million on bad debts and doubtful loans at 31.12.2023.*
[2] *Including €18 million used to provision risk on the liabilities at 31.12.2023.*

NOTE 29: NET GAIN (LOSSES) ON FIXED ASSETS

€ million	31.12.2023	31.12.2022
Financial investments		
Impairment losses	-	-
Long-term investment securities	-	-
Investments in subsidiaries and affiliates, equity investments and other long term equity investments	(32)	(32)
Reversals of impairments losses	-	-
Long-term investment securities	-	-
Investments in subsidiaries and affiliates, equity investments and other long term equity investments	64	60
Net losses/reversals	**32**	**28**
Long-term investment securities	-	-
Investments in subsidiaries and affiliates, equity investments and other long term equity investments	32	28
Gains on disposals	-	-
Long-term investment securities	-	11
Investments in subsidiaries and affiliates, equity investments and other long term equity investments	-	-
Losses on disposals	-	-
Long-term investment securities	(10)	(5)
Investments in subsidiaries and affiliates, equity investments and other long term equity investments	(8)	(17)
Losses on receivables from equity investments	-	-
Net gain (losses) on disposals	**(18)**	**(11)**
Long-term investment securities	(10)	6
Investments in subsidiaries and affiliates, equity investments and other long term equity investments	(8)	(17)
Net gain (losses)	**14**	**17**
Property, plant and equipment and intangible assets		
Disposal gains	-	18
Disposal losses	(1)	(1)
Net gain (losses)	**(1)**	**17**
Net gain (losses) on fixed assets	**13**	**34**

NOTE 30: INCOME TAX CHARGE

€ million	31.12.2023	31.12.2022
Net gain (losses) on fixed assets [1]	(317)	(350)
Other tax	-	-
Total	**(317)**	**(350)**

[1] Crédit Agricole CIB is a member of the Crédit Agricole S.A. tax consolidation group. The tax agreement between Crédit Agricole CIB and its parent company enables it to transfer its tax deficits.
As a part of the tax consolidation agreement, a tax income of €277 million to Crédit Agricole S.A. was recognised at 31 December 2023.

NOTE 31: OPERATIONS IN NON-COOPERATIVE STATES OR TERRITORIES

At 31 December 2023, Crédit Agricole CIB had no direct or indirect presence in non-cooperative states or territories within the meaning of Article 238-0 A of the French General Tax Code.

3. STATUTORY AUDITORS' REPORT ON THE ANNUAL FINANCIAL STATEMENTS (YEAR ENDED 31 DECEMBER 2023)

This is a free translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to the shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

The Statutory Auditors

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex, France

ERNST & YOUNG et Autres
Tour First
TSA 14444
92037 Paris-La Défense Cedex, France

To the General Meeting
Crédit Agricole Corporate and Investment Bank
12 Place des États-Unis
CS 70052
92547 Montrouge Cedex, France

3.1. Opinion

In compliance with the engagement entrusted to us by your General Meeting of Shareholders, we have audited the accompanying financial statements of Crédit Agricole Corporate and Investment Bank for the year ended 31 December 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company at 31 December 2023 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

3.2. Basis for opinion

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the *Responsibilities of the Statutory Auditors relating to the audit of the financial statements* section of our report.

INDEPENDENCE

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*) for the period from 1 January 2023 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by Article 5(1) of Regulation (EU) No. 537/2014.

3.3. Justification of assessments – Key audit matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgement, were the most significant in our audit of the financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the financial statements.

RISK IN RELATION TO THE MEASUREMENT OF PROVISIONS FOR REGULATORY, LEGAL AND TAX DISPUTES

◆ Risk identified

Your Company is subject to litigation proceedings as well as requests for information, investigations, audits and other regulatory or legal proceedings by different authorities in France and abroad.

A number of tax investigations are also ongoing in France and in certain other countries where the Company operates.

Deciding whether to recognise a provision and the amount of that provision requires by its very nature the use of judgement, given the difficulty in assessing the outcome of these proceedings or the uncertainties related to certain tax treatments.

Given the degree of judgement required, the measurement of provisions constitutes a significant risk of material misstatement in the financial statements, and we therefore deemed such measurement to be a key audit matter.

The various ongoing legal proceedings, investigations and requests for information, as well as tax proceedings, are presented in Note 14 to the financial statements.

◆ Our response

We gained an understanding of the procedure implemented by Management for measuring the risks resulting from these disputes, regulatory or legal proceedings and tax uncertainties and, where applicable, the related provisions, notably through quarterly exchanges with Management and in particular, the Legal, Compliance and Tax departments of the Company and its main subsidiaries.

Our work consisted primarily in:

- examining the assumptions used to determine provisions based on available information (documentation prepared by the Legal Department or legal counsel of your Company, correspondence from regulators and minutes of Legal Risks Committee meetings);
- gaining an understanding of the analyses or findings of your Company's legal counsels and their responses to our requests for confirmation;
- as regards tax risks in particular, examining, with our specialists, your Company's responses submitted to the relevant authorities, as well as the risk estimates carried out by your Company;
- assessing, accordingly, the level of provisioning as at 31 December 2023.

Lastly, we examined the related disclosures provided in the notes to the financial statements.

CREDIT RISK AND ESTIMATE OF EXPECTED CREDIT LOSSES ON PERFORMING, UNDERPERFORMING AND NON-PERFORMING LOANS

Risk identified

As part of its corporate and investment banking operations, your Company originates and structures financing for the clients of large corporations in France and abroad.

When a loan is non-performing, the probable loss is recognised through impairment, shown as a deduction from assets. Your Company also recognises provisions in liabilities to cover credit risks that are not individually allocated, such as country risk provisions or sectoral provisions generally calculated based on IFRS 9 models for estimating expected credit losses (ECL).

Given the significant judgement required in determining such provisions and impairment, we deemed the estimate of provisions for and impairment of performing and underperforming loans in the energy and automotive and Russian trade sectors (collectively impaired) and all the non-performing loans (individually impaired) to be a key audit matter due to:

- an uncertain economic environment mainly due to the negative impacts of the war in Ukraine (high inflation, raw materials scarcity, etc.) in addition to difficulties in the economic recovery of the Chinese market, which was still being affected by the COVID-19 crisis at the start of the financial year;
- the complexity of identifying exposures where there is a risk of non-recovery; and
- the degree of judgement needed to estimate recovery flows.

The financing granted is recorded under loans due from credit institutions and customer transactions. As at 31 December 2023 impairment was recognised as a deduction from assets (€3,185 m) or as a liability (€832 m) (including probable losses in respect of off-balance sheet commitments for €352 m) and allowances/reversals are recorded under cost of risk (€119 m).

See Notes 8, 14 and 28 to the financial statements.

Our response

We examined the procedures implemented by the Risk Management department to categorise outstanding loans and measure the amount of recorded value adjustments, in order to assess whether the estimates used are based on methods correctly documented and described in the notes to the financial statements.

We assessed in particular, how the macro-economic and geopolitical context, the macro-economic projections used to calculate value adjustments and the related financial information were taken into account.

We tested the key controls implemented by the Company for the annual portfolio reviews, the updating of credit ratings, the identification of sectors weakened by the uncertain economic context, underperforming or non-performing loans and the measurement of value adjustments. We also familiarised ourselves with the main findings of your Company's specialised committees in charge of monitoring underperforming and non-performing loans.

Regarding collectively measured value adjustments, we:

- asked specialists to assess the methods and measurements for the various ECL inputs and calculation models;
- assessed the analyses carried out by Management on sectors with a deteriorated outlook and having been seriously impacted by the uncertain economic context;
- examined the methodology used by Management to identify significant increases in credit risk (SICR);
- tested the controls that we deemed to be of key importance in relation to the transfer of the data used to calculate ECL or the reconciliations between the bases used to calculate ECL and the accounting data;
- carried out independent value adjustment calculations for expected losses, compared the calculated amount with the recognised amount and examined the adjustments made by Management where applicable.

Regarding individually calculated impairment and provisions, we:

- examined the estimates used for impaired significant counterparties;
- based on a sample of impaired or non-impaired credit files, examined the factors underlying the main assumptions used to assess the expected recovery flows, in particular with regard to valuing collateral.

Lastly, we examined the disclosures in relation to credit risk hedging provided in the notes to the financial statements.

RISK IN RELATION TO THE MEASUREMENT OF COMPLEX DERIVATIVE INSTRUMENTS

Risk identified

As part of its capital markets activities, your Company originates, structures, sells and trades market products, including derivative financial instruments, for companies, financial institutions and major issuers.

These derivative financial instruments are recognised in accordance with the provisions of Title 5 "Forward financial instruments" of Book II "Specific transactions" of Regulation ANC 2014 07 of 26 November 2014. In particular, transactions entered into for trading purposes are measured at market value and the corresponding gains and losses are taken to income.

These financial instruments are considered to be complex when their measurement requires the use of significant unobservable market inputs.

We deem the measurement of these complex derivative financial instruments to be a key audit matter when it requires judgement from Management, particularly concerning:

- the use of internal and non-standard valuation models;
- the valuation of inputs unsubstantiated by observable market data;
- the estimate of valuation adjustments designed to reflect uncertainties related to the models, the inputs used and counterparty and liquidity risks.

Gains and losses on forward financial instrument transactions amounted to €455m at 31 December 2023.

See Notes 20 and 25 to the financial statements.

Our response

We gained an understanding of the processes and controls put in place by your Company to identify, measure and recognise complex derivative financial instruments.

We examined the controls that we deemed of key importance, particularly those performed by the Risk Management department, such as the independent verification of measurement inputs and the internal approval of measurement models. We also examined the system governing the recognition of valuation adjustments and the accounting categorisation of financial products.

With the support of our specialists in the valuation of financial instruments, we carried out independent valuations, analysed those performed by your Company and examined the assumptions, inputs, methodologies and models used.

We also assessed the main valuation adjustments recognised, as well as the justification provided by Management for the main counterparty valuation differences observed in margin calls and losses and/or gains in the event of the disposal of financial products.

3.4. Specific verifications

In accordance with professional standards applicable in France, we have also performed the specific verifications required by French legal and regulatory provisions.

INFORMATION GIVEN IN THE MANAGEMENT REPORT AND IN THE OTHER DOCUMENTS PROVIDED TO THE SHAREHOLDERS WITH RESPECT TO THE COMPANY'S FINANCIAL POSITION AND THE FINANCIAL STATEMENTS

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements, with the exception of the following matter.

Concerning the fair presentation and the consistency with the financial statements of the disclosures provided in relation to the payment terms referred to in Article D.441-6 of the French Commercial Code, we have the following matter to report: as indicated in the management report, these disclosures do not include banking and related transactions as the Company considers that such disclosures are not within the scope of disclosures to be provided.

REPORT ON CORPORATE GOVERNANCE

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L.225-37-4 and L.22-10-10 of the French Commercial Code.

3.5. Other verifications and information pursuant to legal and regulatory requirements

FORMAT OF PREPARATION OF THE FINANCIAL STATEMENTS INTENDED TO BE INCLUDED IN THE ANNUAL FINANCIAL REPORT

We have also verified, in accordance with professional standards applicable to the Statutory Auditors' procedures for annual and consolidated financial statements presented according to the European single electronic format, that the preparation of the financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the CEO's responsibility, complies with the single electronic format defined in Commission Delegated Regulation (EU) No. 2019/815 of 17 December 2018.

On the basis of our work, we conclude that the preparation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your Company in the annual financial report filed with the AMF (*Autorité des marchés financiers*) agree with those on which we have performed our work.

APPOINTMENT OF THE STATUTORY AUDITORS

We were appointed as statutory auditors of Crédit Agricole Corporate and Investment Bank by the General Meeting of Shareholders held on 30 April 2004 for PricewaterhouseCoopers and on 20 May 1997 for ERNST & YOUNG et Autres.

As at 31 December 2023, PricewaterhouseCoopers Audit was in its twentieth year and ERNST & YOUNG et Autres in its twenty-seventh year of total uninterrupted engagement.

3.6. Responsibilities of Management and those charged with governance for the financial statements

Management is responsible for preparing financial statements giving a true and fair view in accordance with French accounting principles, and for implementing the internal control procedures it deems necessary for the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems relating to accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

3.7. Responsibilities of the statutory auditors relating to the audit of the financial statements

OBJECTIVE AND AUDIT APPROACH

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these financial statements.

As specified in Article L.821-55 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's Management.

Statutory auditors exercise professional judgement throughout the audit.

They also:

- identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management and the related disclosures in the notes to the financial statements;
- assess the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

REPORT TO THE AUDIT COMMITTEE

We submit a report to the Audit Committee which includes, in particular, a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were the most significant for the audit of the financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in Articles L.821-27 to L.821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit Committee.

Neuilly-sur-Seine and La Défense, 21 March 2024

The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit		ERNST & YOUNG et Autres
Laurent Tavernier	Agnès Hussherr	Matthieu Préchoux

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GENERAL INFORMATION

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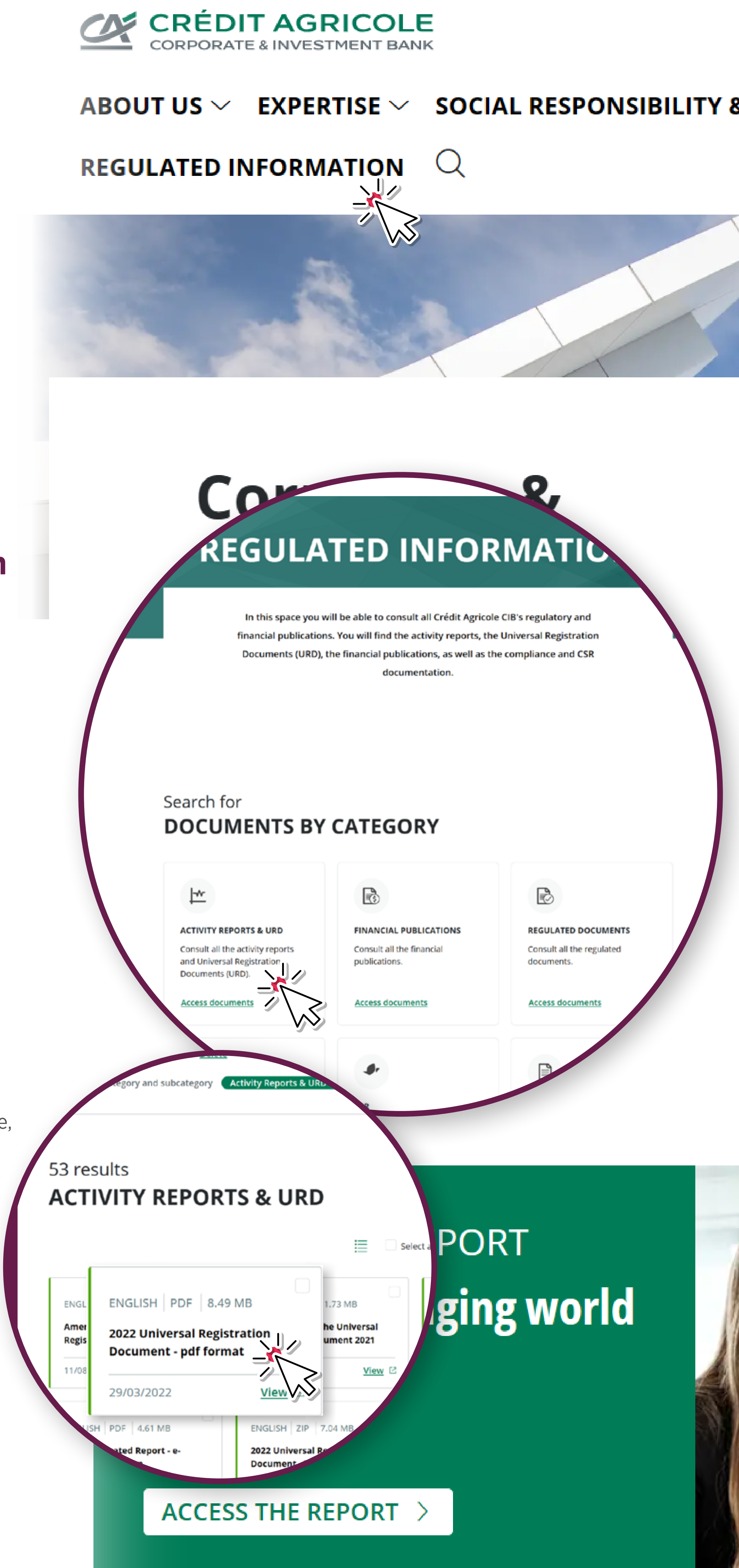

1. ARTICLES OF ASSOCIATION EFFECTIVE AT 31 DECEMBER 2023

Title I

CORPORATE FORM – REGISTERED NAME - CORPORATE PURPOSE - REGISTERED OFFICE – TERM

ARTICLE 1 – CORPORATE FORM

The Company is a joint stock company [French *Société Anonyme*] with a Board of Directors. It is governed by the laws and regulations that apply to credit institutions and to French *Sociétés Anonymes* and by the present Articles of Association.

ARTICLE 2 - REGISTERED NAME

The name of the Company is: "Crédit Agricole Corporate and Investment Bank".

ARTICLE 3 – CORPORATE PURPOSE

The purpose of the Company, in France and abroad, is:

- to enter into any banking transactions and any finance transactions, and more particularly:
  - to receive funds, grant loans, advances, credit, financing, guarantees, to undertake collection, payment, recoveries,
  - to provide advisory services in financial matters, and especially in matters of financing, indebtedness, subscription, issues, investment, acquisitions, transfers, mergers, restructurings,
  - to provide custodial, management, purchasing, sales, exchange, brokerage and arbitrage services with respect to all and any stocks, equity rights, financial products, derivatives, currencies, commodities, precious metals and in general all and any other securities of all kinds,
- to provide all and any investment services and related services as defined by the French Monetary and Financial Code and any subsequent legislation or regulation deriving therefrom,
- to establish and to participate in any ventures, associations, corporations, by way of subscription, purchase of shares or equity rights, merger or in any other way,
- to enter into transactions, either commercial or industrial, relating to securities or real estate, directly or indirectly related to any or all of the above purposes or to any similar or connected purposes,
- the foregoing, both on its own behalf and on behalf of third parties or as a partner and in any form whatsoever.

ARTICLE 4 - REGISTERED OFFICE

The registered office is at 12, Place des Etats-Unis - CS 70052 - 92547 Montrouge Cedex (France)

ARTICLE 5 – TERM

The Company's term of existence shall end on 25 November 2064, except in the event of early dissolution or extension of its life.

Title II

REGISTERED CAPITAL - SHARES

ARTICLE 6 – REGISTERED CAPITAL

The registered share capital of the Company is set at EUR 7,851,636,342 (seven billion, eight hundred and fifty-one million, six hundred and thirty-six thousand, three hundred and forty-two euros). The capital is divided into 290,801,346 (two hundred and ninety million, eight hundred and one thousand, three hundred and forty-six) fully paid-up shares, each with a nominal value of EUR 27 (twenty-seven euros).

ARTICLE 7 – FORM OF THE SHARES – ASSIGNMENT AND TRANSFER OF SHARES

7A. FORM OF THE SHARES

The shares must be registered in a pure nominative account at the issuing company.

7B. ASSIGNMENT AND TRANSFER OF SHARES

I. The assignment of shares for the benefit of spouses, ascendants and descendants is subject to no restriction.

The same shall apply to assignments for the benefit of Crédit Agricole S.A. and of any company placed under its control, under the terms of article L233-3 I & II of the French Commercial Code.

II. Except for cases mentioned under (I.) above, no private individual or legal entity (hereinafter the "Assignee") may become a shareholder of the Company or the holder of a right stripped from any share or any right derived therefrom in any manner whatsoever (hereinafter the "Assignment") if that person or entity has not been previously approved by the Chairman of the Board of Directors under the conditions set forth hereinbelow:

1°. The application for approval of the assignee shall be notified to the Company by extrajudicial instrument or by registered mail, return receipt requested, indicating the last name, first names and address of the assignee, the number of shares of which the assignment is envisaged, the price offered and the terms of sale. Approval shall be constituted either by notification thereof, or by the absence of such notification within a period of three months as from the date of the application.

The decision to approve shall be taken by the Chairman. No reasons need be given for that decision and in the event of a rejection this shall under no circumstances be justification for any claim.

The assignor shall be informed of the decision within fifteen days of receipt of the notification by registered mail, return receipt requested.

In the event of a rejection, the assignor shall have ten days from the date of receipt and in accordance with same procedure as above, to make it known whether or not he wishes to abandon the proposed assignment.

2°. If the assignor does not abandon the proposed assignment, the Chairman shall be bound, within a maximum period of three months from the date of notification of the rejection, to arrange for the acquisition of the shares either by existing shareholders or by third parties, or, with the consent of the assignor, by the Company with a view to reducing its share capital.

To that end, the Chairman shall inform the shareholders of the proposed assignment by registered mail, return receipt requested, inviting each to indicate the number of shares he wishes to acquire.

Offers to purchase shares shall be sent by shareholders to the Chairman by registered mail, return receipt requested, within ten days of the date of receipt of the notification. The allocation of the shares proposed for sale between the shareholders wishing to purchase them shall be determined by the Chairman in proportion to their respective holdings in the total share capital and up to the limit of their applications.

3°. If no application to purchase shares is sent to the Chairman within the above time limit or if the requests do not cover the total number of the shares, the Chairman may arrange for the available shares to be purchased by third parties.

4°. With the agreement of the assignor, the shares may also be purchased by the Company. The Chairman shall seek such agreement by registered mail, return receipt requested, to which the assignor must respond within ten days of receipt.

If this agreement is given, the Board of Directors shall, upon proposal by the Chairman, call an Extraordinary General Meeting of shareholders for the purpose of deciding upon the redemption of the shares by the Company and the corresponding reduction in share capital. The Notice of Meeting must be sent out sufficiently early to ensure that the three-month time limit is observed as stipulated below.

In all the cases of purchase or redemption described above, the price for the shares shall be set as indicated at point (6) below.

5°. If all the shares have not been purchased or redeemed within a period of three months from the date of the notification of rejection, the assignor may complete the sale to the initial assignee for the totality of the shares to be assigned, notwithstanding the offers of partial purchase that may have been made.

The three months period may be extended by a court injunction issued in summary proceedings by the President of the Commercial Court, and not subject to appeal, at the behest of the Company, with the assigning shareholder and the assignee being duly called to attend the hearing.

6°. In the event that the shares on offer are acquired by shareholders or third parties, the Chairman shall notify to the assignor the last name, first names and address of the purchaser(s).

Failing an agreement between the parties, the price for the shares shall be determined under the conditions set forth in Article 1843-4 of the French Code of Civil Law.

The cost of the expert valuation shall be borne equally by vendor and purchaser.

7°. Within eight days of the date of determination of the price, notification shall be sent to the assignor by registered mail, return receipt requested, indicating that he must, within fifteen days of the receipt of that notification, make it known whether he wishes to abandon the proposed assignment or, if not, attend the registered office to receive payment of the price, which shall not bear interest, and to sign the share transfer form. Failing attendance by the assignor within the above-mentioned time limit of fifteen days, or failing notification to the Company within that time limit of his intention to abandon the assignment, the assignment to the purchaser or purchasers shall be formalised on the instructions of the Chairman of the Board of Directors or a specifically authorised person, with effect from the date of the formalisation of said assignment.

8°. The provisions of the present article shall apply generally to all and any manner of transfer of ownership, whether free of charge or not, by private deed or in any other manner, even where the assignment is effected by public auction under a court order or following a private decision, and whether such assignment is voluntary or enforced. They shall apply in particular to contributions to corporate capital, partial contributions of assets, mergers, spin-offs (scissions) and general transfers of property.

9°. The approval provisions contained in the present Article shall also apply to the assignment of rights of allocation of shares in the event of an increase in share capital by means of an incorporation of reserve funds, profits or issue premiums. They shall further apply in the event of the assignment of share subscription rights associated with an increase in capital in cash or individual relinquishment of subscription rights in favour of designated beneficiaries.

In either of these cases, the approval and the conditions governing the redemption of shares stipulated in the present article shall apply to all shares subscribed, and the time allowed to the Chairman for the notification to third party subscribers of their acceptance or rejection as shareholders shall be three months as from the date of final completion of the increase in share capital.

Where the shares are redeemed, the price shall be equal to the value of the new shares as determined under the conditions set forth in Article 1843-4 of the Code of Civil Law.

10°. In the event of allocation of shares following the distribution of the assets of a company holding those shares, allocations to persons who are not already shareholders of the Company shall be subject to the approval procedure described herein.

Consequently, any proposal to allocate shares to persons other than existing shareholders shall give rise to an application for approval by the liquidator of the company under the provisions of paragraph (1) hereinabove.

Failing notification to the liquidator of the Chairman's decision within three months of the date of the application for approval, such application shall be deemed approved.

In the event of a refusal to approve certain proposed recipients of allocations, the liquidator may, within thirty days of the notification of such refusal, amend the allocations in order to submit only those recipients who are approved.

If all the proposed recipients are rejected, or if the liquidator has not amended his proposed distribution within the above-mentioned time limit, the shares allocated to the non-approved shareholders must be purchased or redeemed from the company in liquidation under the conditions set forth in paragraphs 2 to 4 above. Failing such purchase or redemption of the totality of the shares covered by the rejection, within the time limit stipulated at point (5) above, the distribution may be completed in accordance with the proposal submitted.

III. Transfer of ownership of shares through inheritance or related to the liquidation of a common property between spouses is subject to no restriction.

ARTICLE 8 - RIGHTS AND OBLIGATIONS ATTACHED TO SHARES

Each share confers, in the ownership of the Company's assets, the distribution of profits and the liquidation bonus, a right proportional to the number of existing shares, taking into account, where applicable, redeemed and non-redeemed, fully paid-up and partly paid-up capital, the nominal amount of the shares and the rights of other classes of shares.

All present and future shares in the capital shall invariably be treated equally with regard to tax liability. Consequently, all duties and taxes which, for whatever reason, may become payable solely in respect of certain shares further to their redemption, whether during the life of the Company or upon its liquidation, shall be spread over all the shares making up the capital at the time of such redemption, in a manner such that all the present or future shares shall confer upon their owners, taking account where applicable of their nominal and non-redeemed amount and of the rights of shares of other classes, the same actual advantages and right to receive the same net amount.

On each occasion that it may be necessary to hold more than one share in order to exercise any right, the ownership of a single share or of shares in a number less than that required shall confer no right with respect to the Company, it being the responsibility of the shareholders to arrange personally for the grouping and, where applicable, for the purchase or sale of the necessary number of shares.

Title III

MANAGEMENT OF THE COMPANY

ARTICLE 9 – MEMBERSHIP OF THE BOARD OF DIRECTORS

The Company shall be managed by a Board of Directors with between six and twenty members. At least six Directors shall be appointed by General Meetings of shareholders in accordance with the provisions of Article L. 225-18 of the French Commercial Code or any subsequent provision deriving therefrom, and two shall be elected by the salaried employees in accordance with the provisions of Articles L. 225-27 to L. 225-34 of the French Commercial Code or any subsequent provisions deriving therefrom.

The following persons may also attend Board meetings in an advisory capacity:

- if applicable, one or more censeurs (non-voting members of the Board) appointed in accordance with Article 17 below,
- one member of the Economic and Social Committee, appointed by said Committee.

1. DIRECTORS APPOINTED BY GENERAL MEETINGS OF SHAREHOLDERS

These Directors shall be appointed, renewed or removed in accordance with the legal and regulatory provisions in force.

Their term of office shall be three years. However:

- by way of exception, the General Meeting may, for the establishment or maintenance of a staggering, appoint one or several directors for a different term not exceeding three years, in order to allow a staggered renewal of the directors' mandates,
- any Director appointed to replace another whose term of office has not expired shall hold office only for the remainder of his predecessor's term.

In the event of a vacancy or vacancies subsequent to death or resignation, or in other cases listed by law, such vacancies may be filled provisionally by co-optation under the conditions laid down by law and regulations in force.

2. DIRECTORS ELECTED BY EMPLOYEES

Two members shall be elected by the employees: one shall be elected by executive level staff (*cadres*), the other by the other categories of staff.

In any event, the number of members elected in this way may not exceed one-third of the members appointed by the General Meeting.

They shall be elected under the terms and in accordance with legal and regulatory provisions in force or, failing this, as determined by the Chief Executive Officer after consultation with the trade unions represented in the Company.

Both these Directors are elected for a term of office ending the same day:

- either at the close of the Annual Shareholders meeting held in the third calendar year following their election,
- or upon completion of the elections organized during this third calendar year when these take place after the annual shareholders meeting.

Where a seat falls vacant due to the death, resignation, removal or termination of the employment contract of a Director elected by employees, the vacancy shall be filled in accordance with the legal and regulatory provisions in force and the new Director shall take office immediately. If replacement proves impossible, elections for such member shall take place within three months.

In any event, the term for which a Director elected by employees may hold office shall be limited to the period remaining to run until the date on which his contract of employment ends.

ARTICLE 10 – OTHER PROVISIONS RELATIVE TO THE DIRECTORS

Any Director turning sixty five is automatically deemed to be resigning at the close of the annual General meeting of shareholders immediately following his/her sixty fifth birthday.

The term of office of a Director appointed by the shareholders in General meeting can however be renewed from year to year up to a maximum five times, being specified that at no time can the number of directors aged over sixty five exceed one third of the total number of Directors. Should the total number of Directors not be precisely divisible by three, that third part will be rounded upward.

ARTICLE 11 - PROCEEDINGS OF THE BOARD OF DIRECTORS

The Board of Directors shall meet as often as is dictated by the Company's interest, and when called by its Chairman or at least one third of its members.

If applicable, the Chief Executive Officer may request the Chairman to call a meeting of the Board on a specific agenda. Any such request is binding upon the Chairman.

Meetings of the Board of Directors shall be held either at the registered office or at any other place indicated in the Notice of Meeting.

Notice of Meeting may be given by any means, even orally.

In order for decisions at such meetings to be valid, at least half of the Board's sitting members must be present.

Any member of the Board of Directors may grant a proxy to another member to represent him at a meeting of the Board. Each member may hold no more than one proxy at any given meeting.

The Board of Directors' internal rules may stipulate that for calculation of the quorum and majority, Directors who take part in a Board meeting using a remote telecommunications means such as video-conferencing, the type and conditions of use of such means being determined by reference to the regulations in force, shall be deemed to be present.

Decisions shall require a majority vote of those Directors present in person and by proxy. When voting ends in a tie, the Chairman shall cast the deciding vote.

The Directors, as well as any other person called to attend the meetings of the Board of Directors, shall be subject to an obligation of discretion in respect of the proceedings of the Board as well as in respect of information of a confidential nature or described as confidential by the Chairman of the Board.

The chairman or at least one-third of the Directors may consult the Board of Directors in writing under the quorum and majority rules, on the following decisions:

- Replacement of a Director by co-optation mentioned in 9.1 of the articles of association;
- Necessary amendment of the articles of association to comply them with the law;
- Convening of General Meeting;
- Transfer of the head office to the same French department.

In case of written consultation, each Director, each Censor and the representative of the Economic and Social Committee receive by any means which enables to produce evidence of sending, a form including the draft of the proposed decisions, with necessary documents to vote, and the response time from the date of sending.

During the response time, each Director can ask any explanation or additional information as it may consider pertinent to him, related to the consultation subject.

The vote of each Director is cast on the written consultation form including the draft of the proposed decisions.

In case of failure to reply within the time limit, the Director is considered as absent for the calculation of quorum. If a Director, within the time limit, does not express in a clear and unequivocal manner his vote on one or more of the proposed decisions, it will be considered as an abstention.

Board decisions are considered to have been made after the deadline response.

ARTICLE 12 - ATTENDANCE REGISTER AND MINUTES OF MEETINGS OF THE BOARD OF DIRECTORS

A register of attendance shall be kept at the registered office and this shall be signed by the Directors attending each Board meeting.

The proceedings of the Board shall be recorded in minutes drawn up in accordance with the legal and regulatory provisions in force.

Such minutes shall be signed by the Chairman of the meeting and by at least one other Director. In the event that the Chairman of the meeting is unable to sign the minutes, they shall be signed by at least two Directors.

In case of written consultation of the Board of Directors, the consultation method, the proposed decisions, the written consultation results, and the list of the sent documents, are recorded in the minutes signed by the Chairman or by at least two Directors.

Production of a copy of, or an extract from the minutes of the meeting shall suffice as proof of the number of Directors in office and their presence or representation by proxy.

Copies of, or extracts from minutes of meetings shall be validly certified by the Chairman and Vice-Chairman of the Board, the Chief Executive Officer, or an authorised signatory duly empowered therefor.

During liquidation, such copies or extracts shall be certified by a single liquidator.

ARTICLE 13 - POWERS OF THE BOARD OF DIRECTORS

The Board of Directors shall determine the Company's business policies and ensure that they are duly implemented. Subject to the powers expressly allocated to General Meetings of shareholders and within the limits set by the corporate purpose, it shall consider any matter relating to the proper operation of the Company and shall take its decisions on any relevant issues during the course of its meetings.

The Board of Directors may carry out all checks and verifications it considers appropriate. The Chairman or the Chief Executive Officer of the Company shall be bound to provide each Director with all the information required in order to carry out his assigned tasks.

The Board may decide to set up committees to examine issues that the Board itself or its Chairman may submit to them. The Board shall determine the members and powers of such committees, and they shall act under the Board's responsibility.

Unless expressly assigned by law, the Board may grant those of its powers it chooses to any persons or committees it deems appropriate, by means of a special authorisation and for one or more specific purposes, with or without the possibility of sub-delegation.

The Board of Directors shall decide whether the general management of the Company shall be placed in the hands of the Chairman of the Board or the Chief Executive Officer.

In general terms, the Board of Directors is vested with all the powers granted to it under the laws in force.

ARTICLE 14 - REMUNERATION OF DIRECTORS

Directors may receive, in remuneration of their activity, by way of Directors' fees, a fixed annual sum, the amount of which shall be determined by an Ordinary General Meeting and shall remain applicable until otherwise decided.

The Board of Directors shall distribute the total amount of directors' fees between its members as it sees fit.

It may also itself allocate exceptional remuneration in respect of assignments or mandates entrusted to Directors. This remuneration shall be subject to the legal provisions that govern related party transactions.

In addition, the Chairman and the Vice-Chairman or Vice-Chairmen may receive remuneration in an amount to be determined by the Board of Directors.

ARTICLE 15 - CHAIRMAN OF THE BOARD

The Board of Directors shall elect the Chairman of the Board from amongst its members. The Board shall determine the length of his term of office, which may not exceed his term as a Director.

The Board of Directors may elect a Vice-Chairman or several Vice-Chairmen. It shall also determine the length of his/their term(s) of office, which may not exceed the length of his/their term(s) as Director(s).

The Chairman shall organise and coordinate the work of the Board and report on such activities to the General Meeting. He shall ensure that the Company's bodies operate satisfactorily and ensure, in particular, that the Directors are in a position to carry out their assignments.

In general terms, the Chairman shall be vested with all powers granted to him by the legislation in force.

As an exception to the provisions of Article 10 paragraph 1 of the present Articles of Association, the age limit for the performance of the duties of Chairman of the Board of Directors is set at 67, except where the Chairman also acts as Chief Executive Officer of the Company.

He shall benefit from the provisions of Article 10, paragraph 2.

ARTICLE 16 - GENERAL MANAGEMENT

The Chairman of the Board of Directors, or another individual appointed by the Board of Directors and having the title of Chief Executive Officer, shall be responsible for the general management of the Company.

Upon proposals by the Chief Executive Officer, the Board of Directors may appoint one or more individuals to assist the Chief Executive Officer, having the title of Deputy Chief Executive Officers.

1. CHIEF EXECUTIVE OFFICER

Within the limits set by the corporate purpose and subject to those powers expressly allocated by law to General Meetings and to the Board of Directors, the Chief Executive Officer shall be vested with the widest possible powers to act in the Company's name in all circumstances.

He shall represent the Company in its relations with third parties, especially with regard to legal proceedings.

Taking into account the corporate purpose, and in accordance with the law, sureties, endorsements and other guarantees in favour of third parties shall be granted by the Chief Executive Officer.

The Chief Executive Officer may decide to set up committees to examine issues that he shall submit to them for their opinion. He shall determine the members and powers of such committees.

The Chief Executive Officer may entrust those of his powers he chooses to any persons or committees he deems appropriate, by means of a special authorisation and for one or more specific purposes, with or without the possibility of sub-delegation of those same powers.

Where the Chief Executive Officer is a member of the Board of Directors, his term of office may not exceed his term of office as Director.

The age limit for Chief Executive Officers is set at sixty-five (65).

Where the Chairman of the Board of Directors is responsible for the general management of the Company, the provisions of this article shall apply to him.

2. DEPUTY CHIEF EXECUTIVE OFFICERS

The number of Deputy Chief Executive Officers is limited to a maximum of five.

The age limit for Deputy Chief Executive Officer is set at sixty-five (65).

When they are appointed, the scope and term of the powers of each Deputy Chief Executive Officer shall be set by the Board of Directors, in agreement with the Chief Executive Officer.

With regard to third parties, Deputy Chief Executive Officers shall benefit from the same powers as the Chief Executive Officer.

ARTICLE 17 - CENSEURS (NON-VOTING ADVISORY MEMBERS OF THE BOARD)

Upon proposal by the Chairman, the Board of Directors may appoint one or more legal entities or individuals as *censeurs* (non-voting advisory members of the Board).

Censeurs shall be appointed for a term of office that shall expire at the close of the first Board Meeting held after the Annual General Meeting called during the third calendar year following the year in which they were appointed as such. Any *Censeur* reaching the age of seventy two is deemed to resign automatically at the close of the Board meeting immediately following his/her seventy second birthday.

Each *Censeur* may be removed from office at any time by the Board of Directors upon proposal by the Chairman.

Depending on the agenda, *Censeurs* are called to attend meetings of the Board of Directors and General Meetings of the shareholders, and may, if invited to do so by the Chairman, take part in the proceedings in an advisory capacity.

Censeurs may receive fees in an amount decided by the Board.

Title IV

COMPANY AUDITS

ARTICLE 18 – STATUTORY AUDITORS

An Ordinary General Meeting of shareholders shall appoint Statutory Auditors to carry out assigned tasks as specified in law, at the times and under the conditions provided by the legislation in force.

Statutory Auditors shall be eligible for reappointment.

They shall receive remuneration in an amount determined in accordance with the terms and conditions laid down in the laws and regulations in force.

Title V

GENERAL MEETINGS

ARTICLE 19 – COMPOSITION - NATURE OF MEETINGS

General Meetings shall be composed of all shareholders, regardless of the number of shares they may own.

Duly constituted General Meetings shall represent all shareholders. Resolutions passed in General Meetings in accordance with the laws and regulations in force shall be binding on all shareholders.

General Meetings shall be designated as Extraordinary General Meetings where their resolutions relate to an amendment of the Articles of Association; they shall be designated as Ordinary General Meetings in all other cases.

Special Meetings of shareholders may take place involving the owners of a specific class of shares, if any, to decide upon changes to the rights attached to the shares of such class.

Such Special Meetings of shareholders shall be called and proceed in the same manner as Extraordinary General Meetings.

ARTICLE 20 - MEETINGS

General Meetings shall be called in accordance with the provisions of the laws and regulations in force.

Meetings shall be held either at the Company's registered office or at any other place designated in the Notice of Meeting.

General Meetings shall be chaired by the Chairman of the Board of Directors or, in his absence, by a Vice-Chairman of the Board of Directors or by a Director appointed by the Chairman of the Board of Directors for that purpose. Failing this, the General Meeting may itself elect the chair of the meeting.

The agenda shall be determined by the author of the Notice of Meeting. Only proposals from the author of the Notice of Meeting or from the shareholders shall be included in the agenda.

Each shareholder in the Ordinary or Extraordinary General Meeting shall have a number of votes proportional to the fraction of the Company's capital corresponding to the shares he owns or represents, provided however that such shares are not deprived of the right to vote.

The Board of Directors may decide that shareholders taking part in the meeting via videoconferencing facilities or by some other means of remote telecommunications enabling them to be satisfactorily identified shall be deemed to be personally present at the meeting for the purposes of calculation of the quorum and the majority, provided however that the type and conditions of use of such means shall comply with the laws and regulations in force.

ARTICLE 21 - ORDINARY GENERAL MEETINGS

Ordinary General Meetings shall proceed in accordance with the quorum and majority rules as provided by the laws and regulations in force.

Shareholders shall be called each year to attend an Ordinary General Meeting.

The annual Ordinary General Meeting shall consider the report of the Board of Directors and the reports of the Statutory Auditors.

It shall discuss, approve or adjust the annual financial statements and the consolidated financial statements, if any, and shall determine the manner in which the net earnings for the financial year shall be allocated.

It shall appoint the auditors.

It shall consider any other proposals on the agenda which do not fall within the remit of Extraordinary General Meetings.

In addition to this Annual General Meeting, Ordinary General Meetings may be called in exceptional circumstances.

ARTICLE 22 - EXTRAORDINARY GENERAL MEETINGS

Extraordinary General Meetings shall proceed in accordance with the quorum and majority rules as provided by laws and regulations in force.

Extraordinary General Meetings may make all and any amendments to the Articles of Association.

ARTICLE 23 - MINUTES

The proceedings of General Meetings of shareholders shall be recorded in minutes drawn up on a special register or on numbered loose-leaf pages. Such minutes shall be signed by the shareholders who have been appointed as officers of the meeting.

Evidence to third parties of the proceedings of any General Meeting may be properly provided by copies or extracts duly certified as a true record by the Chairman of the Board of Directors, a Vice-Chairman of the Board of Directors, the Secretary of the Meeting, or a company officer duly empowered therefor by any one of the above-mentioned persons.

Title VI

COMPANY ACCOUNTS

ARTICLE 24 – FINANCIAL YEAR

The financial year shall begin on 1 January and end on 31 December.

ARTICLE 25 - ACCOUNTING DOCUMENTS

At the close of each financial year, the Board of Directors shall draw up a detailed statement of assets and liabilities and the annual financial statements and, in addition, shall prepare a report on the management of the Company in compliance with applicable legal and regulatory provisions.

ARTICLE 26 - ALLOCATION AND DISTRIBUTION OF PROFIT

I - NET EARNINGS IN THE FINANCIAL YEAR - STATUTORY RESERVE – DISTRIBUTABLE PROFIT

Those amounts laid down by the legislation in force shall be set aside from the net earnings for the financial year, from which shall be deducted any losses carried forward from previous years when applicable.

The balance, plus any profit carried forward from previous years, shall form the distributable profit.

II - ALLOCATION OF DISTRIBUTABLE PROFIT - DISTRIBUTION OF RESERVES

1. Retained earnings and creation of reserves

An Ordinary General Meeting may set aside from the distributable profit any amounts to be carried forward or to be allocated to one or more reserve funds. Such reserve fund or funds shall be available for allocation to any purpose determined by a General Meeting of shareholders as proposed by the Board of Directors and in particular for the redemption or reduction of the capital by way of reimbursement or redemption of shares.

2. Dividends

The balance of the distributable profit shall be distributed between the shareholders in proportion to their shares in the capital of the Company.

3. Distribution of Reserves

The General Meeting may resolve to distribute sums taken from reserve funds of which it may freely dispose. In such event, the corresponding resolution shall expressly designate the reserve funds from which the payments are to be made.

4. Limitations on distribution

With the exception of the case of a reduction in share capital, no distribution shall be made to the shareholders if the shareholders' equity is, or would subsequently thereto become, lower than the amount of share capital plus those reserves that, under the laws and regulations in force, may not be distributed.

5. Distribution of portfolio securities

An Ordinary General Meeting may, as proposed by the Board of Directors, decide to allocate, for the purpose of all and any distributions of profits or reserves, negotiable securities held in portfolio by the Company, subject to an obligation for the shareholders to effect groupings as may be necessary to obtain the desired number of securities thus allocated.

III – PAYMENT OF DIVIDENDS

The manner in which dividends decided by the General Meeting are to be paid out shall be specified by the General Meeting or, failing this, by the Board of Directors, but payment within the period set by the laws and regulations in force shall be mandatory.

The General Meeting called in order to approve the financial statements for the financial year may grant each shareholder, for all or part of any distributed final or interim dividend, an option for the payment of that final or interim dividend in cash or in shares.

Title VII

DISSOLUTION – LIQUIDATION

ARTICLE 27

Unless otherwise provided by the laws and regulations in force, at the end of the Company's term of existence or in the event of its earlier dissolution, a General Meeting of shareholders shall determine the method of liquidation and appoint one or more liquidators whose powers the Meeting shall determine.

2. INFORMATION ABOUT THE COMPANY

2.1 Corporate name

Crédit Agricole Corporate and Investment Bank.

2.2 Registered Office

12, place des États-Unis
CS 70052
- 92547 MONTROUGE CEDEX
FRANCE
Tel: +33 (0)1 41 89 00 00
Website: www.ca-cib.com

2.3 Financial Year

The company's financial year begins on 1 January and ends on 31 December each year.

2.4 Date of incorporation and duration of the company

The Company was incorporated on 23 November 1973. Its term ends on 25 November 2064, unless the term is extended or the Company is wound up before that date.

2.5 Legal status

Crédit Agricole Corporate and Investment Bank is a French *société anonyme* (joint stock Corporation) with a Board of Directors governed by ordinary company law, in particular the Second Book of the French Commercial Code (*Code de commerce*).

Crédit Agricole Corporate and Investment Bank is a credit institution approved in France and authorised to conduct all banking operations and provide all investment and related services referred to in the French Monetary and Financial Code (*Code Monétaire et Financier*), except the operation of a Multilateral Trading Facility (MTF) or an Organised Trading Facility (OTF). In this respect, the Company is subject to the controls of the competent European and French supervisory authorities, in particular the European Central Bank and the *Autorité de contrôle prudentiel et de résolution*. As a credit institution authorised to provide investment services, the Company is subject to the provisions of the French Monetary and Financial Code and its implementing acts, in particular as it codifies the provisions relating to the activity and supervision of credit institutions and investment service providers.

2.6 Investments made by Crédit Agricole CIB over the past three years

Completed acquisitions

Date	Investments	Financing
25/01/2023	Acquisition by CA Indosuez of 70% of WEALTH DYNAMICS LIMITED	By core equity
01/01/2022	Acquisition of 100% of CRÉDIT AGRICOLE MIDCAP ADVISORS	By core equity

N.B.: Crédit Agricole CIB cannot disclose certain information about investment amounts without violating confidentiality agreements or revealing information to its rivals that could be detrimental to the Group

Acquisitions in progress and upcoming

Acquisition of a majority stake in Banque Degroof Petercam by Indosuez Wealth Management, a subsidiary of the Crédit Agricole Group.

2.7 New products and services

The market for inflation-linked bonds (OATi, BTPi, etc.) is mainly seller while the market for inflation swaps is mainly buyer, this mismatch between supply and demand creates a basis on inflation: the IOTA.

Crédit Agricole CIB can monetize this basis in a deposit capital-guaranteed at maturity. The deposit's coupon is increased by this IOTA basis multiplied by a leverage (leverage usually does not exceed 10 times this basis).

This results in a fixed rate deposit with an improved coupon compared to a plain deposit, in exchange of a higher volatility in the valuation of the deposit (due to the leverage).

2.8 Material contracts

Crédit Agricole CIB has not entered into any material contracts conferring a significant obligation or commitment on the Crédit Agricole CIB Group, apart from those concluded within the normal conduct of its business.

2.9 Recent trends

Crédit Agricole CIB's perspectives have not suffered any significant deterioration since 31 December 2023, the date of its latest audited and published financial statements. See the "Recent trends and outlook" section of chapter 4 "2023 business review and financial information" of this present document.

2.10 Significant changes

Post-closing events that are not supposed to impact accounts closed as of December 31, 2023.

Since 31 December 2023, there has been no significant change in the Group's financial or commercial situation has not occurred.

2.11 Issuer statement

The present Universal Registration Document has been filed with AMF as competent authority under Regulation (UE) 2017/1129, without prior approval pursuant to Article 9 of the said regulation.

The Universal Registration Document may be used for the purposes of an offer of securities to the public or an admission of securities to trading on a regulated market if completed by a securities note and, if applicable, a summary and any amendments to the Universal Registration Document. The whole is approved by the AMF in accordance with Regulation (EU) 2017/1129.

This is a translation into English to the Universal Registration Document of the company issued in French an it is available on the website of the Issuer.

2.12 Publicly available documents

The present document is available on the website:

https://www.ca-cib.com/en/document-search?document_category=activity-reports-urd

and on the French Financial markets authority (*Autorité des Marchés Financiers*, AMF) website in a French version:

https://www.amf-france.org/en/homepage

The entire regulated information, as defined by the AMF (under Title II of Book II of the AMF General Regulation), is available on the website of the Company:

https://www.ca-cib.com/en/regulated-information

Caution: information found on the website is not included on the document, unless such information is incorporated by reference in the prospectus.

Articles of Association are available on section 1 "Articles of association effective at December, 31 2023" of chapter 8 "General information" of this present document.

A copy of these Articles of Association can also be obtained from Crédit Agricole CIB's Head Office and/or the French Trade and Companies Register (*Registre du Commerce et des Sociétés*).

3. STATUTORY AUDITORS' SPECIAL REPORT ON RELATED PARTY AGREEMENTS

General Meeting for the approval of the financial statements for the year ended 31 December 2023

This is a free translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine cedex, France
French simplified joint stock company (*société par actions simplifiée*) with capital of €2,510,460
672 006 483 R.C.S. Nanterre

ERNST & YOUNG ET AUTRES
Tour First
TSA 14444
92037 Paris-La Défense cedex, France
French simplified joint stock company (*société par actions simplifiée*) with variable capital
438 476 913 R.C.S. Nanterre

Statutory Auditors, *Membre de la compagnie régionale de Versailles et du Centre*

To the General Meeting of Crédit Agricole Corporate and Investment Bank,

In our capacity as statutory auditors of your Company, we hereby present to you our report on related party agreements.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements indicated to us, or that we may have identified in the performance of our engagement, as well as the reasons justifying why they benefit the Company. We are not required to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. It is your responsibility, in accordance with Article R. 225-31 of the French Commercial Code *(Code de commerce)*, to assess the relevance of these agreements prior to their approval.

We are also required, where applicable, to inform you in accordance with Article R. 225-31 of the French Commercial Code (*Code de commerce*) of the continuation of the implementation, during the year ended 31 December 2023, of the agreements previously approved by the Annual General Meeting.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this type of engagement. These procedures consisted in verifying the consistency of the information provided to us with the relevant source documents.

3.1. Agreements submitted for approval to the General Meeting

In accordance with Article L. 225-40 of the French Commercial Code (*Code de commerce*), we have been notified of the following related party agreements which received prior authorization from your Board of Directors.

With Crédit Agricole S.A., shareholder holding more than 10% of voting rights

- Guarantee granted to the corporate officers

PERSONS CONCERNED

Members of your Company's Board of Directors

NATURE AND PURPOSE

To enable your Company to assume the costs resulting from proceedings against all corporate officers, including directors, the Board of Directors, at its meeting of 20 December 2012, was asked to authorise the signature of a guarantee in favour of directors, including the Chairman.

CONDITIONS

The purpose of this guarantee is to cover any risk of liability in legal or administrative proceedings initiated against corporate officers, notably in the United States, during the period set under the statute of limitations applicable to the claims in question, plus three months.

In view of the positions held by the directors within the Company, the Board was asked, at its meeting of 29 October 2015, to authorise the amendment of the guarantee in favour of the directors and to clarify the wording of the terms of the agreement.

During financial year 2023, your Board of Directors authorised the grant of this guarantee to Ms Valérie Wanquet, co-opted to the Board of Directors on 7 February 2023, Ms Carol Sirou, appointed as a Member of the Board by the General Meeting of Shareholders of 3 May 2023, Ms Marlène Dolveck, appointed as a Member of the Board by the General Meeting of Shareholders of 8 December 2023 and Mr Jérôme Karkulowski, elected employee Board Member on 29 November 2023 (replacing Mr Jean-Guy Larrivière who was not re-elected by the employees on 29 November 2023, the date on which his term of office ended).

Ms Meritxell Maestre Cortadella, Ms Anne-Laure Noat, Mr Paul Carite and Mr Luc Jeanneau, whose term of office as Members of the Board of Directors was renewed at the General Meeting of Shareholders of 3 May 2023 and Mr Abdel-Liacem Louahchi, re-elected employee Board Member on 29 November 2023, continue to benefit from this guarantee.

REASONS JUSTIFYING WHY THE COMPANY BENEFITS FROM THIS AGREEMENT

Your Board justified this agreement as follows: the purpose of this guarantee is to cover any risk of liability in legal or administrative proceedings initiated against corporate officers, notably in the United States, during the period set under the statute of limitations applicable to the claims in question, plus three months. All of the directors benefit from this guarantee.

◆ Amendment No. 3 to the Business Transfer Agreement between Crédit Agricole S.A. and your Company

PERSONS CONCERNED

Crédit Agricole S.A., shareholder.

Mr Philippe Brassac, CEO of Crédit Agricole S.A. and Chairman of the Board of Directors of your Company.

Mr Xavier Musca, Deputy CEO of Crédit Agricole S.A. and CEO of your Company.

Ms Carol Sirou and Ms Sonia Bonnet-Bernard, directors of both Crédit Agricole S.A. and your Company.

NATURE AND PURPOSE

Crédit Agricole S.A. and your Company decided to negotiate and establish the terms and conditions of changes to the transfer period and the time limit in order to take into account the shift in the migration schedule, through a third amendment to the Business Transfer Agreement.

CONDITIONS

The time limit for the transition period will be extended until a date to be mutually agreed by Crédit Agricole S.A. and your Company by which the IT systems migration will have been completed and the other operational constraints lifted, and to be no later than 31 December 2024. In addition, Crédit Agricole S.A. and your Company may mutually agree to change the time limit at any time during the transition period.

This agreement was presented to the Board of Directors of Crédit Agricole S.A. on 8 December 2023 and approved under the same conditions by the Board of Directors of your Company. In accordance with the delegation granted by their respective Boards, this agreement was signed on 31 December 2023 by the CFOs of Crédit Agricole S.A. and your Company.

REASONS JUSTIFYING WHY THE COMPANY BENEFITS FROM THIS AGREEMENT

Your Board justified this agreement as follows: the work of migrating clients from Crédit Agricole S.A. to your Company continues, notably with the successful migration in 2023 of LCL and the majority (approximately 150) of the Group's banking entities and the Group's bank clients. As at 31 December 2023, 90% of the accounts to be migrated were in effect in your Company's books.

The pace of the migrations, which are complex, was disrupted by constraints resulting from market projects (postponement of the T2/T2S migration from November 2022 to March 2023, postponement of changes to the 2023 rulebooks on SEPA instruments from November 2023 to March 2024). As a result, the time limit for migration has been postponed until mid-2024, with the second half of 2024 being dedicated to archiving and shutting down the Crédit Agricole S.A. information system. The purpose of this amendment is therefore to take account of and formalise these time frames.

In view of the shift in the planned timing of the migration of accounts to your Company, it is necessary to extend the time limit of the transition period, initially set at 31 December 2023, to a later date. Based on the current situation, a time limit of 31 December 2024 would make it possible to finalise the transfer of all the customer accounts and the shutdown of the Crédit Agricole S.A. information system.

◆ VAT Group Agreement for the single taxable person "ASU GTVA Crédit Agricole" between Crédit Agricole S.A. and your Company

PERSONS CONCERNED

Mr Philippe Brassac, CEO of Crédit Agricole S.A. and Chairman of the Board of Directors of your Company.

Mr Xavier Musca, Deputy CEO of Crédit Agricole S.A. and CEO of your Company.

Ms Carol Sirou and Ms Sonia Bonnet-Bernard, directors of both Crédit Agricole S.A. and of your Company.

NATURE AND PURPOSE

Pursuant to the provisions of article 256 C of the French Tax Code (*Code général des impôts*), Crédit Agricole S.A. opted in October 2022 to set up a single VAT taxable person (a "VAT Group") with effect as from 1 January 2023.

In December 2022, your Company agreed to join this VAT Group (which has 296 members) and to appoint Crédit Agricole S.A. as the representative of this single taxable person (entitled "ASU Groupe TVA Crédit Agricole").

In August 2023, your Company signed an agreement with Crédit Agricole S.A. whose purpose was to specify the conditions for the functioning of this VAT Group and fix the reciprocal undertakings of Crédit Agricole S.A. (as representative) and your Company (as a member).

CONDITIONS

The Crédit Agricole VAT Group agreement specifies the conditions for the compensation of the members who have no individual financial advantage in joining the VAT Group and specifies that the annual residual net gain recognised in the VAT Group shall be divided between the entities of Crédit Agricole S.A. and those of the mutualist banking group in accordance with a breakdown specific to the organisation of the Crédit Agricole Group.

It also provides for the establishment of an equalization fund intended to manage all of the flows relating to the compensations and gain reallocations.

In respect of financial year 2023:

- the provisional amount of the compensation received by your Company to offset the costs relating to its membership in the VAT Group is €7.3m;
- the provisional amount of the net residual gain received by your Company is €56.6m.

REASONS JUSTIFYING WHY THE COMPANY BENEFITS FROM THIS AGREEMENT

Your Board justified this agreement as follows: the advantage of the Crédit Agricole VAT Group is to determine the conditions for compensation of the members which incur costs due to their membership in the VAT Group and to establish the principle of a division of the annual net residual gain which may be recognized at the level of the sole taxpayer.

3.2. Agreements previously approved by the General Meeting

In accordance with Article R. 225-30 of the French Commercial Code *(Code de commerce)*, we have been notified that the implementation of the following agreements, which were approved by the Annual General Meeting in prior years, continued during the year ended 31 December 2023.

With Crédit Agricole S.A., shareholder holding more than 10% of voting rights

◆ Agreement between Crédit Agricole S.A. and your Company relating to the payment of the EURIBOR fine

PERSONS CONCERNED

Crédit Agricole S.A., shareholder.

Mr Philippe Brassac, CEO of Crédit Agricole S.A. and Chairman of the Board of Directors of your Company.

Mr François Thibault (until the end of his term of office at Crédit Agricole S.A. on 13 May 2020), Mr François Veverka and Mr Jean-Louis Roveyaz (until the end of their terms of office on your Company's Board of Directors on 4 May 2017), directors of both Crédit Agricole S.A. and of your Company.

NATURE AND PURPOSE

On 7 December 2016, the European Commission imposed a fine of €114,654,000 on Crédit Agricole Corporate and Investment Bank and Crédit Agricole S.A., considered to be jointly and severally liable, after an investigation carried out by the Commission concluded that a cartel in euro interest rate derivatives existed among seven banking institutions who colluded on the determination of the Euribor benchmark interest rate.

As soon as the Commission's judgement was delivered, Crédit Agricole announced that it would appeal the decision before the General Court of the European Union. An appeal was filed on 17 February 2017.

As the appeal did not stay the judgement, Crédit Agricole S.A. had to pay the full amount of the fine by 5 March 2017.

In this context, it was provided that Crédit Agricole S.A. and your Company should enter into an agreement determining the conditions relating to the provisional payment of the fine, and that the conditions of the breakdown between them of the final amount of the fine that may have to be paid would be decided after all European judicial remedies had been exhausted.

CONDITIONS

At its meeting on 10 February 2017, the Board of Directors of Crédit Agricole Corporate and Investment Bank authorised the draft agreement between Crédit Agricole S.A. and your Company under which:

- in the period prior to the obtaining of a decision by a court of last instance having the force of res judicata, Crédit Agricole S.A. shall provisionally bear and pay the amount of €114,654,000 in respect of the penalty;
- the conditions of the breakdown of the final amount of the potential penalty shall be determined by mutual agreement between Crédit Agricole S.A. and your Company at a later date, following a decision by a court of last instance having the force of res judicata.

The agreement was authorised in identical terms by the Board of Directors of Crédit Agricole S.A. on 20 January 2017.

In accordance with the delegation granted by their respective Boards, this agreement was signed on 27 February 2017 by the CEO of Crédit Agricole S.A. and that of your Company. The penalty was paid within the statutory time limit, i.e., before 5 March 2017.

Further to the cancellation petition filed on 17 February 2017 with the General Court of the European Union, the hearing was held on 17 March 2022. The General Court of the European Union handed down its decision on 20 December 2023. The General Court of the European Union cancelled the fine originally imposed by the European Commission and used its power of full jurisdiction over the case to fix the amount of the fine for which Crédit Agricole S.A. and your Company are jointly and severally liable at €110,000,000.

◆ Business Transfer Agreement relating to the transfer of the Banking Services Department (BSD) activities from Crédit Agricole S.A. to your Company

This agreement was the subject of Amendment No. 1 authorised by the Board of Directors on 10 December 2020, Amendment No. 2, authorised by the Board of Directors on 9 December 2022, and Amendment No. 3 authorised by the Board of Directors of 8 December 2023, all of which are included in this report.

PERSONS CONCERNED

Crédit Agricole S.A., shareholder.

Philippe Brassac, CEO of Crédit Agricole S.A. and Chairman of the Board of Directors of your Company.

Ms Françoise Gri (until the end of her term of office at Crédit Agricole CIB on 3 May 2023), Ms Catherine Pourre (until the end of her term of office at Crédit Agricole S.A. on 24 May 2022), Mr François Thibault (until the end of his term of office at Crédit Agricole S.A. on 13 May 2020) and Mr Jean-Pierre Paviet (until the end of his term of office on 4 May 2018), directors of both Crédit Agricole S.A. and your Company.

NATURE AND PURPOSE

In line with the "Strategic Ambition 2020" Medium-Term Plan, which aims to refocus Crédit Agricole S.A. on its core activities, Crédit Agricole S.A. and your Company agreed to transfer Crédit Agricole S.A.'s Banking Services Department (*Direction des Services Bancaires* (DSB)) to your Company's Operations & Country COOs Department (OPC).

The transaction took the form of a Business Transfer Agreement including:

- a settlement and correspondent banking activity consisting for the Banking Services Department in account management and the provision of services related to this account management (particularly electronic transfers, cheque clearing, etc.) for internal and external customers of the Crédit Agricole Group;
- an account management activity for the Regional Banks and some of the other Crédit Agricole Group credit institutions; and
- a level 1 alerts treatment activity.

This transfer of activity excluded the management of certain accounts opened by Regional Banks with Crédit Agricole S.A. in its capacity as central body in accordance with the applicable regulations.

CONDITIONS

At its meeting of 12 December 2017, your Company's Board of Directors authorised the transfer of the DSB business, as described above, by means of a Business Transfer Agreement effective 1 January 2018. Since that date, your Company has operated the acquired business with the human and material resources transferred.

However, for operational reasons and, in particular, IT systems migration, your Company was not able to open accounts for DSB customers on the transfer date. Consequently, accounts opened by customers will continue to be administered by Crédit Agricole S.A. during a transition period and will be opened by your Company during and at the end of the transition period according to a schedule based on progress made in the work to be done by your Company, which is expected to be completed no later than 31 December 2024 (this period was initially extended in view of Amendment No. 1 authorised by the Board of Directors on 10 December 2020, then again in view of Amendment No. 2 authorised by the Board of Directors on 9 December 2022, and a third time in view of Amendment No. 3 authorised by the Board of Directors on 8 December 2023). During this transition period, Crédit Agricole S.A. will pass back to your Company the results of the operations of the business transferred, received by Crédit Agricole S.A. from DSB customers. In parallel, all expenses, costs and liabilities incurred by Crédit Agricole S.A. in respect of the transferred business will be assumed by your Company.

The business transfer was granted and accepted in return for the payment of €57,000.

As the Business Transfer Agreement is not a routine business transaction for Crédit Agricole S.A. or your Company and thus cannot be considered as an "ordinary transaction entered into on an arm's length basis", it falls within the scope of related-party agreements governed by the provisions of Article L.225-38 of the French Commercial Code (*Code de commerce*).

◆ Amendment No. 1 to the Business Transfer Agreement relating to the transfer of the Banking Services Department's (DSB) activities from Crédit Agricole S.A. to your Company

PERSONS CONCERNED

Crédit Agricole S.A., shareholder.

Philippe Brassac, CEO of Crédit Agricole S.A. and Chairman of the Board of Directors of your Company.

Ms Françoise Gri (until the end of her term of office at Crédit Agricole CIB on 3 May 2023), Ms Catherine Pourre (until the end of her term of office at Crédit Agricole S.A. on 24 May 2022) and Mr François Thibault (until the end of his term of office at Crédit Agricole S.A. on 13 May 2020), directors of both Crédit Agricole S.A. and your Company.

DESCRIPTION OF THE INITIAL PROJECT

On 1 January 2018, Crédit Agricole S.A. transferred certain activities managed by its Banking Services Department (*Direction des Services Bancaires* (DSB)) to your Company, by means of a Business Transfer Agreement entered into on 20 December 2017.

The management of certain accounts opened by the Regional Banks with Crédit Agricole S.A. in its capacity as central body, in accordance with the applicable regulations, was nevertheless excluded from the scope of the transfer and maintained at Crédit Agricole S.A.

For operational reasons, in particular the migration of IT systems, your Company was not able, as of 1 January 2018, to open accounts for the DSB customers. Consequently, it was agreed that Crédit Agricole S.A. would maintain its contractual relations with the DSB customers and would continue to manage the accounts opened by them during a transition period starting on 1 January 2018.

NATURE AND PURPOSE

Crédit Agricole S.A. and your Company decided to negotiate and establish the terms and conditions of changes to the initial project through an amendment to the Business Transfer Agreement.

Crédit Agricole S.A. and your Company proposed to marginally adjust the scope of the transfer so as to exclude the following transferred activities, maintained at Crédit Agricole S.A. since 1 January 2018:

- CRCA and AMUNDI "mandatory reserve" accounts;
- BforBank "Investment" and "Refinancing" accounts;
- Two embargoed accounts and one account held by an individual now deceased.

At the same time, Crédit Agricole S.A. and your Company also planned to extend the time limit of the transition period.

CONDITIONS

The Business Transfer Agreement is cancelled in part, with retroactive effect from 1 January 2018, in order to expressly exclude the activities maintained from the scope of the transfer, as well as all the rights and obligations attached thereto such as existed at the date of transfer, and to include them in the excluded activities with retroactive effect from the date of transfer.

The partial cancellation of the Business Transfer Agreement does not give rise to the retrocession by Crédit Agricole S.A. to your Company of a share of the transfer price relating to the maintained activities, the latter having been valued at zero when the transfer price was established.

The time limit for the transition period provided for in Amendment No. 1 was extended until a date to be mutually agreed by Crédit Agricole S.A. and your Company when the IT systems migration will have been completed and the other operational constraints have been lifted, and to be no later than 31 December 2022 (then 31 December 2023, cf. Amendment No. 2, then 31 December 2024, cf. Amendment No. 3). In addition, Crédit Agricole S.A. and your Company may mutually agree to change the time limit at any time during the transition period.

The signature of the amendment to the Business Transfer Agreement is not a routine business transaction for Crédit Agricole S.A. or for your Company. Consequently, the amendment to the Business Transfer Agreement cannot be characterised as an "ordinary transaction entered into on an arm's length basis" either for Crédit Agricole S.A. or for your Company, and both companies must comply with the related party agreements procedure.

In view of the shift in the planned timing of the migration of accounts to your Company, it is necessary to extend the time limit of the transition period, initially set at 31 December 2020, to a later date. Based on the current situation, a time limit of 31 December 2022 would make it possible to finalise the transfer of all the customer accounts.

The updated time limit as at 31 December 2023 was formalized by Amendment No. 2 included in this report.

◆ Amendment No. 2 to the Business Transfer Agreement relating to the transfer of the Banking Services Department's (BSD) activities from Crédit Agricole S.A. to your Company

PERSONS CONCERNED

Crédit Agricole S.A., shareholder.

Mr Philippe Brassac, CEO of Crédit Agricole S.A. and Chairman of the Board of Directors of your Company.

Mr Xavier Musca, Deputy CEO of Crédit Agricole S.A. and CEO of your Company.

Ms Sonia Bonnet-Bernard and Ms Françoise Gri (until the end of her term of office at Crédit Agricole CIB on 3 May 2023), directors of both Crédit Agricole S.A. and your Company.

NATURE AND PURPOSE

Crédit Agricole S.A. and your Company decided to negotiate and establish the terms and conditions of changes to the transfer period and the time limit in order to take into account the shift in the migration schedule, in accordance with Amendment No. 2 to the Business Transfer Agreement.

CONDITIONS

The time limit for the transition period will be extended until a date to be mutually agreed by Crédit Agricole S.A. and your Company by which the IT systems migration will have been completed and the other operational constraints lifted, and to be no later than 31 December 2023. In addition, Crédit Agricole S.A. and your Company may mutually agree to change the time limit at any time during the transition period (then to 31 December 2024, cf. Amendment No. 3).

This agreement was presented to the Board of Directors of Crédit Agricole S.A. on 13 December 2022 and approved under the same conditions by the Board of Directors of your Company on 9 December 2022. In accordance with the delegation granted by their respective Boards, this agreement will be signed on 31 December 2022 by the CFOs of Crédit Agricole S.A. and of your Company.

◆ Tax consolidation agreement between Crédit Agricole S.A. and your Company

PERSONS CONCERNED

Crédit Agricole S.A., shareholder.

Mr Philippe Brassac, CEO of Crédit Agricole S.A. and Chairman of the Board of Directors of your Company.

Ms Françoise Gri (until the end of her term of office at Crédit Agricole CIB on 3 May 2023) and Ms Catherine Pourre (until the end of her term of office at Crédit Agricole S.A. on 24 May 2022), directors of both Crédit Agricole S.A. and your Company.

NATURE AND PURPOSE

In 1996, Crédit Agricole S.A. signed a tax consolidation agreement with your Company, which was renewed on 22 December 2015 for the 2015-2019 period, its purpose being to govern relations between Crédit Agricole S.A. on the one hand, and your Company and its consolidated subsidiaries on the other.

Under this agreement, your Company is deemed to constitute, along with its consolidated subsidiaries and sub-subsidiaries, a subgroup forming a tax subgroup, and thus calculates its corporate income tax on the basis of the overall results for its consolidated subsidiaries and sub-subsidiaries in its subgroup. In addition, when the result of the subgroup is a loss, it receives the saving in corporate income tax made by the group for the amount of the loss of this subgroup effectively allocated by Crédit Agricole S.A.

As the previous tax consolidation agreement expired in 2020, a new agreement was signed for the 2020-2024 period.

This tax consolidation agreement falls within the scope of the related party agreements referred to in Article L.225-38 of the French Commercial Code (*Code de commerce*) and must in principle be subject to prior authorisation by the Board of Directors. As the renewal of the tax consolidation agreement was signed on 9 December 2020 before prior approval by the Board of Directors, it was therefore subject to ex-post facto approval by the Board of Directors on 9 February 2021.

CONDITIONS

This renewal agreed upon in 2020 between your Company and Crédit Agricole S.A. covers the 2020-2024 period.

Firstly, the amount of the definitive compensation for financial year 2022 is zero, and, secondly, the amount of the provisional compensation to date for 2023 is €151.3m.

With Crédit Lyonnais

◆ Agreement for the indemnification of Crédit Lyonnais by your Company

PERSONS CONCERNED

Mr Philippe Brassac, CEO of Crédit Agricole S.A. and Chairman of the Board of Directors of your Company.

Mr Claude Vivenot, director of both Crédit Lyonnais and of your Company.

NATURE AND PURPOSE

The Corporate and Investment Banking business of Crédit Lyonnais was transferred to your Company (formerly Crédit Agricole Indosuez) on 30 April 2004 with retroactive effect from 1 January 2004, except for outstanding short, medium- or long-term commercial loans for which your Company preferred to defer the effective date until 31 December 2004 at the latest, mainly due to the time needed to complete their transfer.

To comply with the principle of retroactive effect from 1 January 2004, your Company undertook to indemnify Crédit Lyonnais for the counterparty risks relating to those loans from 1 January 2004.

CONDITIONS

The amount of the guarantee was €1.92m at 31 December 2023. The amount of compensation due in respect of financial year 2023 was €4,943.79, excluding taxes.

With Crédit Agricole S.A., shareholder holding more than 10% of voting rights, Crédit Agricole Technologies et Services, Crédit Agricole Assurances Solutions, CA Consumer Finance, Crédit Agricole Group Solutions, Crédit Agricole Payment Services, Crédit Lyonnais and Fédération Nationale du Crédit Agricole

◆ Shareholders' agreement on the rules of governance of CA-GIP

This agreement was the subject of an amendment authorised by the Board of Directors on 3 August 2020, which follows this agreement.

PERSONS CONCERNED

Crédit Agricole S.A., shareholder.

Philippe Brassac, CEO of Crédit Agricole S.A. and Chairman of the Board of Directors of your Company.

Mr Jacques Boyer (until the end of his term of office as a director of your Company on 3 May 2021), Mr Olivier Gavalda (until the end of his term of office with your Company on 1 November 2022), Mr Luc Jeanneau and Mr François Thibault (until the end of his term of office with Crédit Agricole S.A. on 13 May 2020), Ms Nicole Gourmelon (until the end of her term of office at Crédit Agricole Corporate and Investment Bank on 7 May 2019), Ms Françoise Gri (until the end of her term of office at Crédit Agricole CIB on 3 May 2023) and Ms Catherine Pourre (until the end of her term of office at Crédit Agricole S.A. on 24 May 2022), directors of both companies concerned.

NATURE AND PURPOSE

Pursuant to the above-mentioned Memorandum of Understanding, some of the parties agreed to set up a new company, Crédit Agricole-Group Infrastructure Platform (CA-GIP), to lead the project concerning the merging of some of the Crédit Agricole Group's IT infrastructure and production activities. This company was formed in order to acquire, as from 1 January 2019, SILCA and the IT production activities of Crédit Agricole Technologies et Services, Crédit Agricole Corporate and Investment Bank in France and Crédit Agricole Assurances Solutions. Its role is to host the IT production activities of other Crédit Agricole Group entities. Together, the shareholder parties hold 100% of the share capital and voting rights of the company.

Within this context, the parties wished, through the shareholders' agreement:

- to supplement the rules of governance of CA-GIP provided for in the articles of incorporation;
- to organise their relationship as shareholders;
- to determine the conditions that they intend to comply with in the event of the transfer of all or part of their stake in the company's capital.

The shareholders' agreement relating to CA-GIP notably lays down the following rules of governance specific to Crédit Agricole-Group Infrastructure Platform: a Board of Directors composed 50/50 of Regional Banks and their subsidiaries or IT production entities and the Crédit Agricole Group, with a Chairman of the Company who is also Chairman of the Board of Directors, appointed upon the proposal of the Regional Banks and a Chief Executive Officer appointed upon the proposal of the Crédit Agricole Group.

Noting, in addition to the presence of common executive officers and directors, that the rules of governance described above do not reflect the intended division of capital between the Regional Banks and their subsidiaries (36%) and the Crédit Agricole Group (64%), it was considered that this shareholders' agreement constituted a related party agreement within the meaning of the provisions of the French Commercial Code.

The shareholders' agreement was signed on 8 June 2018.

CONDITIONS

The shareholders' agreement specifies the rules of governance of CA-GIP, as concerns both the executive and the supervisory functions of the management body, as well as those of the subsidiary to be formed in accordance with the agreement. In particular, it organizes the rules relating to the financing of the company and the transfer of securities, as well as any conditions of the exit of a shareholder and the conditions under which the company's services will be provided.

◆ Amendment to the shareholders' agreement on the rules of governance of CA-GIP

PERSONS CONCERNED

Crédit Agricole S.A., shareholder.

Mr Philippe Brassac, CEO of Crédit Agricole S.A. and Chairman of the Board of Directors of your Company.

Mr Jacques Boyer (until the end of his term of office with Crédit Agricole Corporate and Investment Bank on 3 May 2021), Mr Paul Carite, Mr Olivier Gavalda (until the end of his term of office with Crédit Agricole Corporate and Investment Bank on 1 November 2022), Mr Luc Jeanneau, Mr Odet Triquet, Ms Françoise Gri (until the end of her term of office at Crédit Agricole CIB on 3 May 2023), Ms Catherine Pourre (until the end of her term of office with Crédit Agricole S.A. on 24 May 2022), and Ms Laurence Renoult (until the end of her term of office at Crédit Agricole Corporate and Investment Bank on 30 October 2021).

NATURE AND PURPOSE

The formation of CA-GIP concerned the merger of some of Crédit Agricole Group's IT infrastructure and production activities. Within this context, several agreements were signed, some of which were related party agreements.

The parties (CATS, CASA, CAAS, CACF, CACIB, CAGS, CAPS, LCL and FNCA) notably entered into a shareholders' agreement on 8 June 2018 concerning the rules of governance of CA-GIP and supplementing the articles of incorporation thereof, organising the parties' relationship as shareholders, and determining the conditions with which the parties intend to comply in the event of the transfer of all or part of their stake in the CA-GIP's capital.

Pursuant to Articles L.225-38 *et seq*. of the French Commercial Code, and due to the different signatories having directors in common, this shareholders' agreement is considered to be a related party agreement. Consequently, any subsequent change or amendment to this agreement must be submitted to the Board of Directors for approval.

CONDITIONS

By this amendment, the parties intend to modify the clauses and conditions of the shareholders' agreement initially entered into to facilitate the functioning of its governance bodies:

- facilitating the functioning of the Board of Directors of CA-GIP;
- the appointment of the Chairs of specialised committees (in particular, the Audit and Finance Committee): Art. 2.4.9.1 (c) – Composition of the Audit and Finance Committee/Article 2.4.9.1(d) – Chair of the Audit and Finance Committee.

Neuilly-sur-Seine and Paris-La Défense, 21 March 2024

The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit

Agnès Hussherr Laurent Tavernier

ERNST & YOUNG et Autres

Matthieu Préchoux

4. RESPONSIBILITY STATEMENT

Person reponsible for the Universal Registration Document

Xavier Musca Chief Executive Officer of Crédit Agricole CIB.

Responsibility statement

I hereby certify that, the information contained in the present Universal Registration Document is true and accurate and contains no omission likely to affect the import thereof.

I hereby certify that, to my knowledge, the consolidated financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and all entities included in the consolidated scope, and that the management report, made up of the sections indicated in the cross-reference table included in Chapter 8 of the present Document, provides a fair view of the development and performance of the business, profit or loss and financial position of the Company and of all the entities included in the consolidation scope, and that it describes the principal risks and uncertainties that they face.

Montrouge, 25 th March 2024

The Chief Executive Officer of Crédit Agricole CIB
Xavier Musca

5. STATUTORY AUDITORS

5.1 Primary and alternate statutory auditors

Primary statutory auditors	
Ernst & Young and Others Member of the Ernst & Young network	PricewaterhouseCoopers Audit Member of the PricewaterhouseCoopers network
Member of the Versailles regional association of Statutory auditors Company represented by: Olivier Durand and Matthieu Préchoux	Member of the Versailles regional association of Statutory auditors Company represented by: Agnès Hussherr and Laurent Tavernier
Head Office: 1-2, place des Saisons 92400 Courbevoie - PARIS-La Défense - France	Head Office: 63, rue de Villiers 92200 NEUILLY-SUR-SEINE

Length of statutory auditors' mandates	
The mandate of Ernst and Young and Others as the Statutory Auditor has been renewed for six financial periods by the Shareholders at the General Meeting held on May 4, 2018.	The mandate of PricewaterhouseCoopers Audit as the Statutory Auditor has been renewed for six financial periods by the Shareholders at the General Meeting held on May 4, 2018.
Length of alternate auditors' mandates	
The mandate of Picarle and Associates as Alternate Statutory Auditor of Ernst and Young and Others was not renewed by the Shareholders at the General meeting held on May 4, 2018, in accordance with the provisions of Section L. 823-1 of the Code of Commerce and Article 18 of the Company's Statutes.	The mandate of Mr. Etienne as Alternate Statutory Auditor of PricewaterhouseCoopers Audit was not renewed by the Shareholders at the General meeting held on May 4, 2018, in accordance with the provisions of Section L. 823-1 of the Code of Commerce and Article 18 of the Company's Statutes.

6. GLOSSARY

A

ABS	Asset-Backed Securities: securities which represent a portfolio of financial assets (excluding mortgage loans) and for which the cash flows are based on those of the underlying asset or asset portfolio.
ACPR	*Autorité de Contrôle Prudentiel et de Résolution/*French Regulatory and Resolution Supervisory Authority: French banking supervisory body.
Afep/Medef	*Association Française des Entreprises Privées/Mouvement des Entreprises de France* (Corporate governance code of reference for publicly traded companies).
AFS	Available For Sale.
Aligned Assets	Eligible assets listed in the Climate Delegated Acts become aligned assets if they meet the following criteria: • contribute substantially to one or more of the environmental targets; • do not cause significant harm to any of the other environmental targets; • respect certain minimum social guarantees.
ALM	Asset and Liability Management: management of the financial risks borne by an institution's balance sheet (interest rate, currency, liquidity) and its refinancing policy in order to protect the bank's asset value and/or its future profitability.
AMA	Advanced Measurement Approach.
AMF	*Autorité des Marchés Financiers/*French Financial markets authority.
APM indicator	Allternative performance indicator. APM indicators are financial indicators not presented in the financial statements or defined in accounting standards but used in the context of financial communications, like the underlying Net Income Group Share or the Return on Tangible Equity, as per exemple. They are used to develop a better understanding of the Company's actual performance. Each APM indicator is defined in relation to accounting data.
AQR	Asset Quality Review: includes regulatory risk evaluation, review of the quality of the actual assets and stress tests.
Asset encumbrance	Asset encumbrance corresponds to assets used to secure, collateralize or back up a credit facility for any type of transaction.
Asset management	Management of negotiable or other assets, for the manager's own account or for third-party (institutional or retail) investors. In third-party asset management, assets are managed in funds or in the framework of management mandates. Specialised products are offered to meet the range of customer expectations in terms of geographical and sector diversification, short-term or long-term investing and the desired level of risk.
Assets under management (1)	All assets under management by Indosuez Wealth Management.
AT1	Additional Tier 1: capital eligible under Basel 3 made up of perpetual debt instruments without any redemption incentive or obligation. It is subject to a loss absorption mechanism where the CET1 ratio falls below a given threshold, fixed in their prospectus.

B

Back-testing	Method used to check the relevance of models and the suitability of the VaR (Value at Risk) in light of the risks actually borne.

(1) Alternative Perfomance Measures (details on Chapter 4, note 1.7, of this document).

Basel I (agreements)	Regulatory mechanism established in 1988 by the Basel Committee, to ensure the solvency and stability of the international banking system by setting a minimum, standardised, international limit on the capital of banks. It introduces a minimum capital ratio out of a bank's total risks which must be greater than 8%.
Basel II (agreements)	Regulatory mechanism intended to better identify and limit the risks of credit institutions. It mainly concerns the credit risk, market risks and operational risks of banks.
Basel III (agreements)	Regulatory standards for banks, which replace the previous Basel 2 agreements by increasing the quality and quantity of the minimum capital that banks are required to hold against the risk they take. It also introduces minimum standards for liquidity risk management (quantitative ratios), defines measures attempting to curb the financial system's pro-cyclicality (capital buffers varying according to the economic cycle) and tightens the requirements on institutions considered as systemically important. In the European Union, these regulatory standards were introduced under Directive 2013/36/EU (CRD 4 – Capital Requirements Directive) and Regulation (EU) No. 575/2013 (CRR – Capital Requirements Regulation).
BCBS	Basel Committee on Banking Supervision: institution of central banks governors of the G20 countries responsible for strenghtening the global financial system and improving the effectiveness of prudential supervision and of cooperation between banking regulators.
Bookrunner	Bookrunner (in investment transactions).
Bps	Basis points. A basis point is equal to 0.01% or 1/10,000.

C

Capital requirements	Regulatory capital requirements, amounting to 8% of the risk weighted assets (RWA).
CCA (*Certificat coopératif d'associés*)	Cooperative Associate Certificate. Unlisted securities, which may be traded over the counter and may be issued only by cooperative companies. They may be subscribed by members of the issuing Regional Banks and affiliated Local Banks. A CCA does not carry voting rights but gives its holders rights to a share of the net assets and to receive dividends.
CCI (*Certificat coopératif d'investissement*)	Cooperative Investment Certificate Securities quoted on the stock exchange that do not carry voting rights and may be issued only by cooperative companies. A CCI gives its holders rights to a share of the net assets and to receive a dividend payment.
CCF	Credit Conversion Factor.
CCP	Central Counterparty.
CDO	Collateralised Debt Obligations, or debt securities linked to a portfolio of assets which can be bank loans (mortgages) or bonds issued by companies. The payment of interest and the principal may be subordinated (creation of tranches).
CDPC	Credit Derivatives Products Companies (companies specialising in selling protection against credit default via credit derivatives).
CDS	Credit Default Swap: an insurance mechanism against credit risk in the form of a bilateral financial contract, in which a buyer of protection pays a periodic premium to a protection seller, who promises to offset the losses on a reference asset (sovereign debt securities, securities issued by financial institutions or companies) in the event of a credit event (bankruptcy, default, moratorium, restructuring).
Central bank policy rate	Interest rate set by a country's or currency zone's central bank to regulate economic activity. Principal tool in a central bank's arsenal for fulfilling its role of regulating economic activity: inflation, stimulation of growth.

CGU	Cash generating unit: the smallest asset group identifiable which generates cash inflows which are largely independent of those generated by other assets or asset groups, according to IAS 36. “According to IFRS, a company must define as many cash generating units (CGUs) as possible which comprise it, these CGUs must be largely independent in their transactions and the company must allocate its assets to each of these CGUs. It is at the level of these CGUs that impairment tests are carried out occasionally, if there is reason to believe that their value has fallen, or every year if they make up the goodwill.”
CHSCT	*Comité d’Hygiène, de Sécurité et des Conditions de Travail*/Health, Safety and Working Conditions Committee.
CLO	Collateralised Loan Obligation: credit derivative relating to a homogeneous portfolio of commercial loans.
CMBS	Commercial Mortgage-Backed Securities: debt security backed by a portfolio of consisting of corporate mortgage loans.
CMS	Constant Maturity Swap: contract which enables a short-term interest rate to be exchanged for a longer term interest rate.
Collateral	A transferable asset or a guarantee that provides security for the repayment of a loan, should the recipient of the loan fail to meet their repayment obligations.
Common Equity Tier 1	Common Equity Tier 1 capital of the institution which mainly consist of the share capital, the associated share premiums and reserves, less regulatory deductions.
Common Equity Tier 1 ratio	Ratio between Common Equity Tier 1 capital and assets weighted by risk, according to CRD4/CRR rules. Common Equity Tier 1 capital has a stricter definition than under the former CRD3 rules (Basel II).
Corporate governance	Any mechanism that can be implemented to achieve transparency, equality between shareholders and a balance of powers between management and shareholders. These mechanisms encompass the methods used to formulate and implement strategy, the operation of the Board of Directors, the organisation framework between different governing bodies and the compensation policy for Directors and executive managers.
Cost/income ratio [(1)]	The cost/income ratio is calculated by dividing operating expenses by revenues, indicating the proportion of revenues needed to cover operating expenses.
Cost of risk	The cost of risk reflects additions to and reversals from provisions for credit and counterparty risk (loans and receivables, securities, and off-balance sheet commitments).
Cost of risk/ outstandings	The cost of risk/outstandings is calculated by dividing the cost of credit risk (over four quarters on a rolling basis) by outstandings (over an average of the past four quarters, beginning of the period). Can also be calculated by dividing the annualised cost of credit risk for the quarter by outstandings at the beginning of the quarter. Similarly, the cost of risk for the period can be annualised and divided by the average outstandings at the beginning of the period. Since the first quarter of 2019, the outstandings taken into account are the customer outstandings, before allocations to provisions. The calculation method for the indicator is specified each time the indicator is used.
Coverage	Client monitoring.
Covered bond	Collateralised bond: bond for which the redemption and payment of interest are ensured by income flows of a portfolio of high-quality assets which serves as a guarantee, often a portfolio of mortgage loans. The transferor institution is often manager of the payment of cash flows to the investors (*obligations foncières* in France, *Pfandbriefe* in Germany). This product is usually issued by financial institutions.

(1) Alternative Perfomance Measures (details on Chapter 4, note 1.7, of this document).

CPM	Credit Portfolio Management. The impact of loan portfolio hedges is based on market movements in credit risk hedging and the level of reserves linked to the market movements.
CRBF	*Comité de Réglementation Bancaire et Financière.*
CRD	Capital Requirement Directive: European directive on regulatory capital requirements.
CRD 3	European directive on capital requirements, incorporating the provisions of Basel II and 2.5, notably as regards market risk: improved consideration of default risk and rating migration risk in the trading book (tranched and non-tranched assets) and reduction of the procyclical nature of the value at risk.
CRD 4/CRR (Capital Requirement Regulation)	Directive 2013/36/EU (CRD 4) and (EU) Regulation No 575/2013 (CRR) constitute the corpus of the texts transposing Basel III in Europe. They define European regulations on solvency ratios, major risks, leverage and liquidity and are completed by the technical standards of the European Banking Authority (EBA).
Crédit Agricole Group	This include Crédit Agricole S.A., Regional Banks and Local Banks.
Crédit Agricole S.A.	Listed company of the Crédit Agricole Group. Its parent company is "Crédit Agricole S.A. Parent Company". Its consolidation perimeter includes subsidiaries (including Crédit Agricole CIB), joint ventures and associated companies that it holds directly or indirectly.
Crédit Agricole S.A. Parent Company	Legal entity that acts as central body and head of Crédit Agricole network and that guarantees the financial unity of the Group.
Credit Rating	Measurement of credit quality in the form of an opinion issued by a rating agency (Standard & Poor's, Moody's, Fitch Ratings, etc.). The rating may apply to a specific issuer (business, government, public-sector authority) and/or specific issues (bonds, securitised notes, secured bonds, etc.). The credit rating may influence an issuer's borrowing terms (interest rate it pays, its access to funding) and its market image (see Rating agency).
Credit spread	Actuarial margin (difference between a bond's yield to maturity and that on a risk-free borrowing with an identical maturity).
CRM	Comprehensive Risk Management: capital charge in addition to the IRC (Incremental Risk Charge) for the correlation portfolio of lending operations taking into account specific price risks (spread, correlation, recovery, etc.). CRM is a value at risk of 99.9% i.e. the highest risk obtained after eliminating 0.1% of the most unfavourable occurrences.
CSR	Corporate social (and environmental) responsibility.
CVA	Expected loss arising from the risk of a counterparty default which aims at building in the possibility that the full positive market value of instruments may not be recovered. The methodology used to determine the CVA is based largely on the same type of market parameters that market participants use.
CVaR	Credit Value at Risk: maximum loss likely after elimination of 1% of the most unfavourable occurrences, used to set limits for each individual counterparty.

D

Derivatives	A financial instrument or contract whose value changes according to the value of an underlying asset, which may be financial (shares, bonds, foreign currencies,etc.) or non-financial (commodities, agricultural commodities, etc.). This change may entail a multiplier effect (leverage). Derivatives may exist in the form of securities (warrants, certificates, structured EMTNs, etc.) or in the form of contracts (forwards, options, swaps, etc.). Listed derivative contracts are called futures.
DFA	The "Dodd-Frank Wall Street Reform and Consumer Protection Act", usually referred to as the "Dodd-Frank Act", is the US financial regulation law adopted in July 2010 in response to the financial crisis. The text is wide-ranging and covers many topics: the creation of a Financial Stability Oversight Council, treatment of institutions of systemic importance, regulation of high-risk financial activities, limits on derivatives markets, improved monitoring of ratings agency practices, etc. The US regulators (Securities and Exchange Commission, Commodity Futures Trading Commission, etc.) are currently working on precise technical rules on these different areas.

Dilution	A transaction is described as “dilutive” when it reduces the portion of net asset value (e.g. net book value per share) or earnings (e.g. earnings per share) attributable to each share in the company.
Dividend	Portion of net income or reserves paid out to shareholders. The Board of Directors proposes the dividend to be voted on by shareholders at the Annual General Meeting, after the financial statements for the year ended have been approved.
DOJ	United States Department of Justice.
Doubtful loan	A doubtful loan is a defaulting loan. The debtor is considered to be in default when at least one of the following conditions has been met: • a payment generally more than ninety days past due, unless specific circumstances point to the fact that the delay is due to reasons independent of the debtor’s financial situation; • the entity believes that the debtor is unlikely to settle its credit obligations unless it avails itself of certain measures such as enforcement of collateral security right.
DVA	The Debit Valuation Adjustment (DVA) is symmetrical to the CVA and represents the expected loss from the counterparty’s perspective on passive valuations of financial instruments. It reflects the impact of the entity’s own credit risk on the valuation of these instruments.

E

EAD	Exposure at Default: exposure of the Group in the event of counterparty default. The EAD includes on and off the balance sheet exposures. Off-balance sheet exposures are converted into the balance sheet equivalents using internal or regulatory conversion factors (draw-down scenarios).
EBA	The European Banking Authority (EBA) was established on 24 November 2010, by a European regulation. In place since 1 January 2011 and based in London, it replaces the Committee of European Banking Supervisors (CEBS). This new authority has wide-ranging powers. It is responsible for harmonising regulations, ensuring coordination between national supervisory authorities and acting as mediator. The objective is to implement supervision at the European level without questioning the powers of national authorities for the day-to-day supervision of credit institutions.
ECB	European Central Bank.
EDTF	Enhanced Disclosure Task Force.
EL	Expected Loss is the likely loss given the quality of the transaction and of all the measures taken to mitigate the risk, such as collateral. It is obtained by multiplying the exposure at default (EAD) by the probability of default (PD) and by the loss given default (LGD).
“Eligible” and “non-eligible” assets	Eligible assets are assets listed in the Climate Delegated Acts as being able to meet at least one of the six environmental targets (climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, protection and restoration of biodiversity and ecosystems). Other assets are called “non-eligible”.
EMEA	Europe, Middle East and Africa.
ESG	Environmental, Social and Governance.
EURIBOR	Euro Interbank Offered Rate: reference rate of the Eurozone market.
Extra-financial rating agency	Organisation specialised in qualitatively and quantitatively assessing corporates according to social and environmental criteria, following specifications related to sustainable development and using a specific form of rating.

F

Fair value	Amount for which an asset could be exchanged or for which a liability could be settled between well-informed, consenting parties acting under normal market conditions.

FCP (*Fonds commun de placement*)	Mutual fund Type of UCITS that issues units and does not have legal personality. By acquiring units, investors gain co-ownership of the securities, but do not have any voting rights. They are not shareholders. An FCP mutual fund is represented and managed from an administrative, financial and accounting perspective by a single management company, which may delegate these tasks.
FED	Federal Reserve System/Federal Reserve: Central Bank of the United States.
Finance, Technology (FinTech)	A FinTech is a non-banking company which uses information and communication technologies to deliver financial services.
Fides, Respect, Demeter (FReD)	Initiative to implement, manage and measure the progress made by the Corporate Social Responsibility (CSR) programme. FReD has three pillars with 19 commitments that aim to bolster trust (Fides), grow individuals and the corporate ecosystem (Respect) and protect the environment (Demeter). Every year since 2011, the FReD index has provided a measure of the progress made by the CSR programme being pursued by Crédit Agricole S.A. and its subsidiaries. PricewaterhouseCoopers conducts an annual audit of this index.
FSB	The Financial Stability Board's remit is to identify vulnerabilities in the global financial system and establish principles serving as a basis for the regulation and oversight of financial stability. It is made up of the governors, finance ministers and supervisors of G20 countries. Its primary objective is to coordinate at international level the work of the national financial authorities and of the international standard-setters in the regulation and supervision of financial institutions. Founded at the G20 meeting in London in April 2009, the FSB is the successor to the Financial Stability Forum set up by the G7 in 1999.

G

GAAP	Generally Accepted Accounting Principles.
Goodwill	Amount by which the acquisition cost of a business exceeds the value of the net assets revalued at the time of acquisition. Every year, goodwill has to be tested for impairment, and any reduction in its value is recognised in the income statement.
Gross exposure	Exposure before taking into account provisions, adjustments and risk mitigation techniques.
Gross Operating Income (GOI)	Calculated as revenues less operating expenses (general operating expenses, such as employee expenses and other administrative expenses, depreciation and amortisation).
Green Bonds	"Environmental" bonds issued by a qualified entity (business, local authority or international organisation) to finance projects or activities with an environmental benefit. These instruments are for example used in connection with the financing of sustainable agriculture, renewable energy and energy-efficient real estate.

H

Haircut	Percentage deducted from the market value of securities to reflect their value in a stress environment (counterparty risk or market stress risk). The size of the haircut reflects the perceived risk.
HQE	*Haute Qualité Environnementale*/High Environmental Quality.
High Quality Liquid Assets (HQLA)	Assets are categorised as High-Quality Liquid Assets (HQLA), as defined by Capital Requirements Directive (CRD) IV, if they can be converted into cash quickly and easily without – or with minimum – loss of value, and, in general, if they can be mobilised in the central bank to obtain financing. The main characteristics of High-Quality Liquid Assets are: 1) low risk and volatility, 2) ability to be valued with ease and certainty, 3) low correlation with higher-risk assets, and 4) listed on a recognised and sizeable developed market. The High-Quality Liquid Assets that are not already being used as collateral form the numerator of the one-month Liquidity Coverage Ratio (LCR) for stress scenarios, according to the same regulation.

I

IAS	International Accounting Standards.

IASB	International Accounting Standards Board.
ICAAP	Internal Capital Adequacy Assessment Process: process reviewed in Pillar II of the Basel agreement, whereby the Group checks whether its capital is sufficient in light of all risks incurred.
IEA	International Energy Agency.
IFRS	International Financial Reporting Standards.
ILAAP	Internal Liquidity Adequacy Assessment Process : internal assessment process under Pillar II of the Basel Agreement, whereby the Group checks the adequacy of its liquidity position against all risks incurred.
Impaired loan	Loan which has been provisioned due to a risk of non-repayment.
Impairment	Accounting recognition of a probable loss on an asset.
Impaired (or non-performing) loan coverage ratio	This ratio divides the outstanding provisions by the impaired gross customer outstandings.
Impaired (or non-performing) loan ratio	This ratio divides the gross customer outstandings depreciated on an individual basis, before provisions, by the total gross customer outstandings.
Institutional investors	Businesses, public-sector bodies and insurance companies involved in securities investment, for example, investing in the shares of listed companies. Pension funds and asset management and insurance companies come under this heading.
Investment grade	Long-term rating provided by an external agency and applicable to a counterparty or an underlying issue, ranging from AAA/Aaa to BBB-/Baa3. A rating of BB+/Ba1 and below qualifies instruments as Non-Investment Grade.
IRB	Internal Rating-Based: approach based on the ratings used to measure credit risk, as defined by European regulations.
IRBA	Internal Rating Based Approach.
IRC	Incremental Risk Charge: capital charge required in consideration of rating change risk and the risk of issuer default over one year for debt instruments in the trading portfolio (bonds and CDS). The IRC is a value at risk of 99.9% i.e. the highest risk obtained after eliminating 0.1% of the most unfavourable occurrences.
ISP	Investment service providers.
Issuer spread	Actuarial margin representing the difference between the actuarial rate of return at which the Group can borrow and that of a risk-free loan of identical duration.

L

LBO	Leveraged Buy out.
LCR	Liquidity Coverage Ratio: this ratio aims to promote the short-term resilience of a bank's liquidity risk profile. The LCR obliges banks to hold sufficient risk-free, highly liquid assets to cover outflows, net of inflows, assessed under stressed assumptions, to see it through a crisis period of 30 days without relying on any support from Central banks.
Leverage ratio	A voluntarily simple ratio that is intended to control the size of banks' total assets. The leverage ratio establishes a link between Tier 1 regulatory capital and on-/off-balance sheet assets, after restatement of given items.
LGD	Loss Given Default: Ratio between the loss experienced on an exposure on a counterparty at default and the size of the exposure at default.
LIBOR	London Interbank Offered Rate.

Liquidity	For a bank, it is its ability to meet its short-term liabilities. For an asset this term refers to the possibility of buying or selling it quickly on a market with a limited reduction in value (haircut).

M

Market stress tests	To evaluate market risks, parallel to the internal VaR and SVaR model, the Group calculates a measurement of its risks using market stress tests, to take account of exceptional market disruption, which is based on 26 historical scenarios, as well as 8 theoretical scenarios.
Mark-to-Market	Method which involves measuring a financial instrument at fair value based on its market price.
Mark-to-Model	Method which involves, in the absence of market prices, measuring a financial instrument at fair value using a financial model based on observable or non-observable data.
Mezzanine	Hybrid financing between equity and debt. In terms of ranking, mezzanine debt is subordinate to senior debt, but remains senior to common shares.
MiFID	Markets in Financial instruments European directive.
Minimum Requirement for own funds and Eligible Liabilities (MREL)	Ratio defined in the European Bank Recovery and Resolution Directive indicating the minimum requirement for own funds and eligible liabilities that have to be available to absorb losses in the event of resolution.
Monoline	Insurance company participating in a credit enhancement operation, and which provides its guarantee by issuing debt securities (e.g.: securitisation transactions), to improve the rating of the issue.
MSE	Medium-sized Enterprise.
MTP	Medium-term plan.
Mutual shareholders	Holders of mutual shares, which make up the capital of the Local Banks. The Local Banks own the share capital of the Regional Bank with which they are affiliated. They receive returns in respect of their mutual shares, the interest rate of which is capped by law. The members come together once a year at the Annual General Meeting at which they approve the financial statements of the Local Banks and elect its directors. Each individual member has one vote at these General Meetings, irrespective of the number of mutual shares that she/he owns.

N

Nature, biodiversity and natural capital	Nature is a broader concept than biodiversity; it includes non-living elements of the physical world, such as water, land, minerals and air. Biodiversity is part of nature and refers to all living things. According to the Convention on Biological Diversity (CBD), the three levels of life are: ecosystems, species and genetic resources. Natural capital is a store of renewable and non-renewable resources which, in combination, provide services to humanity.
Net Banking Income (NBI) or revenues	The NBI is the difference between banking income (interest income, fee income, capital gains from market activities and other income from banking operations) and banking expenses (interest paid by the bank on its funding sources, fee expenses, capital losses arising on market activities and other expenses incurred by banking operations).
Net Banking Income underlying (1)	The underlying net banking income represents the stated net banking income from which specific items have been deducted (i.e. non-recurring or exceptional items).
Net income Group share (NIGS)	Net income/(loss) for the financial year (after corporate income tax). Equal to net income less the share attributable to non-controlling interests in fully consolidated subsidiaries.
Net Income Group share underlying (1)	The underlying net income Group share represents the stated net income Group share from which specific items have been deducted (i.e. non-recurring or exceptional items) to develop a better understanding of the Company's actual performance.

(1) APM-Alternative Perfomance Measures (details on Chapter 4, note 1.7, of this document).

Net interest Margin	Net interest margin, sometimes referred to as net interest income, is the difference between the income generated by assets bearing interest and the cost of liability management.
Non-financial rating agency	Organisation specialised in qualitatively and quantitatively assessment of economic actors according to environmental, social and governance criteria, and using a specific form of rating.
NSFR	Net Stable Funding Ratio: this ratio is intended to promote longer-term resilience through the introduction of additional incentives for banks to finance their activities using more sources with a greater structural stability. This structural liquidity ratio covering a one-year period has been designed to limit the funding of long term assets by short term resources.
NZE 2050	Net Zero Emissions by 2050 Scenario.
NZBA	Net-Zero Banking Alliance.

O

OFAC	Office of Foreign Assets Control.
Offsetting agreement	Agreement under which two parties to a financial contract (forward financial instrument), a securities loan or repurchase agreement, agree to offset their mutual loans and receivables pursuant to these contracts; the settlement of these only relates to a net offset balance, particularly in the event of default or termination. An overall offsetting agreement extends this mechanism to different families of transactions, which are governed by different framework agreements by way of a master agreement.
Operating income	Calculated as gross operating income less the cost of risk.
OTC	Over-The-Counter.

P

Pricing	Setting a price.

R

Raison d'Être	The *Raison d'Être* of Crédit Agricole Group, adopted as a lasting measure within the framework of the Group project defined in 2019, engages and irrigates all the Group's activities and businesses. It does not fall within the scope of article 1835 of the Civil Code according to which "the articles of association may specify a *Raison d'Être*, consisting of the principles which the company adopts and for the respect of which it intends to allocate resources in carrying out its activity".
Rating	Evaluation, by a financial rating agency (Moody's, FitchRatings, Standard & Poor's), of the financial insolvency risk of an issuer (company, government or other state authority) or of a given transaction (bond issue, securitisation, covered bonds). The rating has a direct impact on the cost of raising funds.
Rating agency	Organisation specialised in assessing the solvency of issuers of debt securities, i.e. their ability to honour their repayment obligations (principal repayments and interest payments over the contractual period).
Ratio Core Tier 1	Ratio between Core Tier 1 capital and risk-weighted assets, according to the Basel II rules and their evolution referred to as Basel 2.5.
Resecuritisation	Securitisation of an exposure already securitised where the risk associated with the underlying exposures has been divided into tranches and for which at least one of the underlying exposures is a securitised exposure.
Resolution	Shortened form of "resolution of crises and bank failures". In practice, two types of plan need to be drawn up for every European bank: 1) a preventative recovery plan prepared by the bank's senior managers, and 2) a preventative resolution plan put in place by the competent supervisory authority. Resolution occurs before bankruptcy of the bank, to plan its ordered dismantling and avoid systemic risk.

Risk Appetite	Level of risk that the Group is willing to assume in pursuit of its strategic objectives. It is determined by type of risk and by business line. It may be stated using either quantitative or qualitative criteria. Establishing the risk appetite is one of the strategic management tools available to the Group's decision-making bodies.
Risks	The main types of risks specific to Crédit Agricole CIB are listed and explained below in the glossary, in the "Risks" section.
RMBS	Residential Mortgage Backed Securities: debt securities backed by an asset portfolio made up of residential mortgage loans.
RWA	Risk Weighted Assets: Assets and risk commitments (loans, etc.) held by a bank weighted by a prudential factor and based on the risk of loss and used, when added together, as the denominator for major solvency ratios.

S

SEC	US Securities and Exchange Commission (authority which controls the US financial markets).
Securitisation	Transfer of a credit risk (loan debts) to a body which issues, for this purpose, marketable securities subscribed by investors. This transaction may result in a transfer of loans and receivables (physical securitisation) or the transfer of the risks only (credit derivatives). Securitisation transactions can result in a subordination of securities (tranches).
SFEF	*Société de Financement de l'Économie Française* (French Financing Agency).
SFS	Specialised financial services.
SIFIs	Systemically Important Financial Institutions: the Financial Stability Board (FSB) coordinates all measures to reduce the moral hazards and risks of the global financial system posed by systemically important institutions (G-SIFI or Globally Systemically Important Financial Institutions or even GSIB - Global Systemically Important Banks). These institutions meet the criteria set out in the Basel Committee rules outlined in the document named "Global Systemically Important Banks: Assessment methodology and the additional loss absorbency requirement" and are identified in a list published in November 2011. This list is updated by the FSB every November. Institutions classified as GSIB will gradually have to apply increasing limits on the level of their share capital.
SMEs	Small and medium-sized enterprise.
Social bonds	Bonds issued by a qualified entity (business, local authority or international organisation) to finance a project or activity with positive social outcome. These instruments are for example used in connection with the financing of projects relating to regional economic development, social inclusion and autonomy, and access to healthcare services.
Socially Responsible Investment (SRI)	Systematic and clearly documented incorporation of environmental, social and governance criteria in investment decisions.
***Société d'investissement à capital variable* (SICAV) – open-ended investment company**	A type of UCITS which enables investors to invest in a portfolio of financial assets without holding them directly and to diversify their investments. It manages a portfolio of stocks or other assets and may specialise in a specific market, an asset class, an investment profile, or a specific sector. From a tax perspective, a SICAV unit is like a share.
Solvency	Measures the ability of a business or an individual to repay its debt over the medium to long term. For a bank, solvency reflects its ability to cope with the losses that its risk profile is likely to trigger. Solvency analysis is not the same as liquidity analysis. The liquidity of a business is its ability to honour its payments in the normal course of its business, to find new funding sources and to achieve a balance at all times between its incomings and outgoings. For banks, solvency is governed by the CRD 4 Directive and CRR Regulation.
SREP	Supervisory Review and Evaluation Process.
Stress tests	Exercise to study the ramifications on banks' balance sheets, profit and loss and solvency in order to measure their ability to withstand these kinds of situations.

Single Resolution Fund (SRF)	The Single Resolution Fund is an **emergency** fund that can be used in **times of crisis**. The fund aims to prevent banks from failing after other options have been exhausted. The **fund is financed by the banking sector itself**. All banks across the 21 countries that are part of the EU's banking union must pay an annual fee (called contributions) to the fund. The individual amount a bank has to pay is based on a size and risk component.
Structured issue or structured product	Financial instrument combining a debt product and an instrument (such as an option) enabling exposure on all kinds of asset (shares, foreign currencies, rates, commodities). Instruments may include total or partial guarantee, of the capital invested. The term "structured product" or "structured issue" also refers to securities resulting from securitisation transactions, for which a ranking of bearers is organised.
Subordinated notes	Issues made by a company, the returns on and/or redemption of which are contingent upon an event (conditional upon payment of a dividend or achievement of an outcome).
SVaR	Stressed Value at Risk: identical to the VaR, the calculation method entails a "historical simulation" with "1-day" shocks and a 99% confidence interval. Unlike the VaR, which uses the 260 daily change scenarios over a rolling one-year period, Stressed VaR uses a historical one-year window corresponding to a period of significant financial stress.
Swap	Agreement between two counterparties to exchange one's assets or income from an asset for those of the other party's up to a given date.
Systemically important bank	Crédit Agricole Group, but not Crédit Agricole S.A., appears on the list of the 30 global systemically important banks (G-SIBs) published by the Financial Stability Board (FSB) in November 2012 and updated in November 2021. A systemically important bank has to put in place a basic capital buffer of between 1% and 3.5% in relation to Basel 3 requirements.

T

TCFD	Task Force on Climate-related Financial Disclosures. The TCFD was created by the G20 at COP21 to define 11 recommendations concerning the financial transparency of companies in terms of managing climate risk.
Tier 1 Equity	Made up of Common Equity Tier 1 capital and Additional Tier 1 capital. The latter correspond to perpetual debt instruments without any redemption incentives, less regulatory deductions.
Tier 1 ratio	Ratio between Tier 1 capital and risk-weighted assets.
Tier 2 Equity	Additional capital mainly comprising subordinated securities less regulatory deductions.
TLTRO (Targeted long-term refinancing operations)	TLTROs are targeted long-term financing operations (four years and then three years) granted by the ECB to Eurozone credit institutions. The ECB therefore offers longer-term loans at favorable costs, provided that these funds are used to finance the economy. In order to benefit from the relaxed conditions (more favorable interest rates of up to -1%), credit institutions must demonstrate a target growth rate of credits to businesses and households. Three TLTRO operations were conducted: 2014, 2016 and 2019. Following the ECB's change in the remuneration terms for these operations in the fourth quarter of 2022, banks made early repayments on a significant share of loans.
TNFD	Taskforce on Nature-Related Financial Disclosures. The TNFD was launched in 2021 with the objective of making recommendations regarding the financial transparency of organizations in managing nature-related impacts.
Total capital ratio or solvency ratio	Ratio between total capital (Tier 1 and Tier 2) and risk-weighted assets.
Total Loss Absorbing Capacity (TLAC)	Designed at the G20's request by the Financial Stability Board. It aims to provide an indication of the loss-absorbing capacity and of the ability to raise additional capital of the systemically important banks (G-SIBs).
Treasury shares	Shares held by a company in its own capital. Treasury shares have no voting rights attached and are not used to calculate profit per share.

TSDI (*Titres subordonnés à durée indéteminée* - Undated subordinated notes)	Undated subordinated notes have no specified maturity date, with redemption being at the behest of the issuer beyond a certain date.
TSS (*Titres super-subordonnés* - Deeply subordinated notes)	Undated subordinated issue giving rise to perpetual returns. Their perpetual maturity arises from the fact that they do not have a contractual redemption date, with redemption taking place at the option of the issuer. Should the issuer be liquidated, these notes are redeemed after all the other creditors have been repaid.

U

Undertakings for collective investment in transferable securities (UCITS)	An UCITS is a portfolio of negotiable securities (equities, bonds, etc.) managed by professionals (asset management companies) and held collectively by retail or institutional investors. There are two types of UCITS – SICAVs (open-ended investment companies) and FCPs (mutual investment funds).

V

VaR	Value at Risk: Synthetic indicator used to track on a day-to-day basis the market risks taken by the Group, particularly in its trading activities (VaR is calculated using a 99% on 10 days-confidence interval, over one day, in line with the regulatory internal model). Reflects the largest exposure obtained after eliminating 1% of the most unfavourable occurrences over a 1-year history.
Volatility	Volatility measures the magnitude of the fluctuations of the price of an asset and thus its risk. It corresponds to the standard deviation of the instantaneous profitability of the asset over a certain period.
VSB	Very small businesses.

6.1. Risks

Credit Risk

- **Corporate & financial institutions risk:** Risk arising in the event of default by a counterparty or counterparties considered to be a single group of related clients in the major client scope, excluding the risk of sector and individual concentration and issuer risk.
- **Sector and individual concentration risk:** Risk arising from exposure to counterparties considered to be a single group of related clients, to counterparties operating in the same economic sector or in the same geographical region, or from the granting of loans relating to the same activity, or from the application of credit risk mitigation techniques, including collateral issued by the same issuer.
- **Country and sovereign risk:** Credit risk associated with exposures to countries and sovereigns, including the risk of concentrated exposures in credit and investment portfolios.
  - Country risk is the risk that the deterioration in the environment or the economic, financial, political or social situation of a country may affect the Bank's activities and the quality of our counterparties in that country;
  - Sovereign risk measures the losses incurred by CACIB under its commitments to sovereign counterparties in the event of their default or due to them being unable to meet their contractual obligations.
- **Counterparty risk on market transactions:** Risk arising in the event of the default or the deterioration in the credit quality of a counterparty or counterparties considered to be a single group of related clients under financial contracts (within the meaning of Article L 211.1 of the French Monetary and Financial Code) entered into with those counterparties.
- **Securitisation risk:** Credit risk arising from securitisation transactions in which CACIB acts as an investor, originator or sponsor, including reputational risks such as those arising in conjunction with complex structures or products

Financial risks

- **Global interest rate risk:** Risk of future loss on the net interest margin following interest rate stress. This risk reflects the potential impact of interest rate movements on the interest rate margin, net banking income and equity capital.
- **Liquidity risk: Liquidity** Risk covers:
  - liquidity price risk: the risk of additional financial costs caused by a change in refinancing spreads;
  - liquidity availability risk: risk of the funds required in order to meet commitments not being available.
- **Risk of change in the value of the securities portfolio or Issuer risk:** Risk of a fall in the value of securities held in the banking book (excluding equity investments) and recognised at fair value, where those securities were acquired to generate a return and/or to manage liquidity reserves.
- **Market risk:** Risk of loss of value of financial instruments arising from changes to market parameters, the volatility of these parameters and the correlations between these parameters. These parameters include exchange rates, interest rates, the prices of securities (shares, bonds) and commodities, derivative products and all other assets, such as property assets.
- **Risk of changes in the value of equity investments:** Risk of a fall in the value of equity investments made in connection with private equity activity or with the intention of exercising significant influence over a company (trading and investment securities portfolios, wholly owned SPV-type entities and non-financial companies are excluded from the scope).
- **Foreign exchange risk (banking book):** Risk arising from structural foreign exchange positions (equity investments), as operational foreign exchange risk is systematically hedged.
- **Transformation risk:** This risk exists when assets are financed using resources with differing maturities. As a result of their traditional business of transforming resources with short maturities into longer term uses, banks are naturally affected by transformation risk, which itself entails liquidity risk and interest rate risk. Transformation is when assets have a longer maturity than liabilities and anti-transformation is when assets are financed by resources with a longer maturity.

Operational risks

- **Non-compliance risk:** Risk of judicial, administrative or disciplinary sanctions, significant financial losses or reputational damage, arising from non-compliance with laws, regulations or professional or ethical rules on banking and financial activities, or instructions from the executive body, in particular pursuant to the guidelines of the supervisory body. This sub-category of risk also includes the risk of internal and external fraud and the risk of misconduct.
- **Legal risk**: Risk of a dispute with a counterparty resulting from any inaccuracy, deficiency or insufficiency that may be attributable to the supervised entity in relation to its transactions. It therefore covers:
  - legislative risk, i.e., breaches of the laws or regulations that govern the exercise of the Bank's activities in any jurisdiction in which it operates and that determine the legality and validity of its actions and their enforceability by third parties;
  - contractual risk, i.e., the risk that, as a result of inaccuracy, deficiency or insufficiency, contractual documentation is not suitable for the transactions carried out, with the result that it does not fully and clearly reflect intentions.
- **Other operational risks (including accounting risk):** In addition to the sub-category of risks referred to above: the risk of losses resulting from inadequate or defective processes, staff and internal systems or external events; operational risks include risks associated with unlikely but high-impact events, as well as security risks to information systems and physical risks.

Other Risks

- **Business risks**: Risk covering two specific risks:
  - strategic risk: the risk linked to losses or falls in revenue or profits due to decisions over strategic choices and/or our competitive positioning;
  - systemic risk: global risk related to the macroeconomic, political and regulatory environment (in particular, the prudential and tax environment).

- **Climate risk:** Risk covering:
  - physical risks resulting from damage directly caused by meteorological and climatic events (acute risks, as for instance natural disasters, and chronic risks, associated with longer-term changes in climate patterns);
  - energy transition risks resulting from the effects of the implementation of a low-carbon business model (regulatory and legal, technological, market and reputational risks).

7. CROSS-REFERENCE TABLES

CROSS-REFERENCE TABLE OF THE ANNUAL REGISTRATION DOCUMENT

This cross-reference table contains the headings provided for in Annex 1 (as referred to in Annex 2) of Delegated Regulation (EU) 2019/980 of the Commission of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council and repealing Commission Regulation (EC) No 809/2004 (Annex I), in application of the "Prospectus Directive". It refers to the pages of this Universal Registration Document where the information relating to each of these headings is mentioned.

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In accordance with Annex I of European Regulation 2017/1129, the following are incorporated by reference:
- the consolidated and annual financial statements for the year ended 31 December 2022 and the corresponding Statutory Auditors' Reports, as well as the Crédit Agricole CIB's management report, appearing respectively on pages 255 to 362 and 374 to 408, on pages 363 to 369 and 409 to 414 and on pages 131 to 145 of the Crédit Agricole CIB Universal Registration Document 2022 registered by the AMF on 29 March 2023 under number D.23-0175. The information is available via the following link: Universal Registration Document 2022.
- the consolidated and annual financial statements for the year ended 31 December 2021 and the corresponding Statutory Auditors' Reports, as well as the Crédit Agricole CIB's management report, appearing respectively on pages 255 to 370 and 382 to 415, on pages 371 to 377 and 416 to 421 and on pages 133 to 147 of the Crédit Agricole CIB Universal Registration Document 2021 registered by the AMF on 25 March 2022 under number D.22-01851. The information is available via the following link: Universal Registration Document 2021.

The sections of the Universal Registration Document 2022 and the Universal Registration Document 2021 not referred to above are either not applicable to investors or are covered in another part of this universal registration document.

All these documents incorporated by reference in the present document have been filed with the French Financial Markets Authority (Autorité des marchés financiers) and can be obtained on request free of charge during the usual office opening hours at the headquarters of the issuer as indicated at the end of the present document. These documents are available on the website of the Issuer (Crédit Agricole CIB - Activity reports & URD (ca-cib.com)) and on the website of the AMF (www.amf-france.org).

The information incorporated by reference has to be read according to the following cross-reference table. Any information not indicated in the cross-reference table but included in the documents incorporated by reference is only given for information.

THE FOLLOWING THEMATIC TABLE IDENTIFIES THE REGULATED INFORMATION WITHIN THE MEANING OF THE AMF GENERAL REGULATION CONTAINED IN THIS UNIVERSAL

This Universal Registration Document, which is published in the form of an annual report, includes all components of the 2022 Annual Financial Report referred to in Article L. 451-1-2 of the French Monetary and Financial Code as well as in Article 222-3 of the AMF's General Regulations and Order No. 2017-1162 of 12/07/2017 (Sapin 2 law):

▶ Cross-reference table with the Management report (1)

(1) The informations related to the events after the Board of directors dated 6th February 2024 are not part of the Management report.

Reference texts	Elements required	Page number of the Universal Registration Document
French Monetary and Financial Code, articles L. 621-18-2 and R. 621-43-1, AMF Regulation, article 223-26	Information on transactions in the Company's securities made by executives and related persons	144
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4. Statement of non-financial performance		
Crédit Agricole CIB describes in Chapter 2 of this document the implementation of the Vigilance Plan of Crédit Agricole S.A. Group and its non-financial performance. However, this chapter does not constitute a statement on the implementation of the Vigilance Plan, nor a statement of non-financial performance that are presented in the Universal Registration Document of Crédit Agricole S.A. As a subsidiary of a group, Credit Agricole CIB is not subject to the publication of a statement of non-financial performance on its own scope.		N/A
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French Commercial Code, article L. 225-37-4-3°	Table summarising authorisations in force granted by the General Meeting of Shareholders concerning a capital increase	152
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French Commercial Code, article L. 22-10-10-6°	Procedure for evaluating current agreements and implementation of that procedure	Null
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Reference texts		Page number of the Universal Registration Document
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CROSS-REFERENCE TABLE OF THE ANNUAL FINANCIAL REPORT

Sections	Articles	Page number of the Universal Registration Document
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This universal registration document is available on the Crédit Agricole CIB website (www.ca-cib.com) and on the Autorité des Marchés Financiers website in a French version (www.amf-france.org).

Design & production : Crédit Agricole Corporate and Investment Bank / Production graphique (Crédit Agricole Immobilier). Crédits photos : Couverture, Getty Images - Visuels intérieurs, istock.